

GX 194

Press Release

Page 1 of 9

**GOVERNMENT
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Press Release

DORAL FINANCIAL CORPORATION (NYSE - DRL)

Company Release - 01/18/2005 17:28

Doral Financial Corporation Reports Record Earnings for the Year Ended December 31, 2004, the 7th Consecutive Year It Has Achieved Record Earnings

SAN JUAN, Puerto Rico--(BUSINESS WIRE)--Jan. 18, 2005--Doral Financial Corporation (NYSE: DRL), a diversified financial holding company with banking operations in the United States and Puerto Rico and the largest residential mortgage lender in Puerto Rico, reported record results for the year ended December 31, 2004, the 7th consecutive year it has achieved record earnings.

Net income for the fourth quarter of 2004 amounted to \$150.5 million, compared to \$94.7 million for the fourth quarter of 2003, an increase of 59%. For the year ended December 31, 2004, Doral Financial earned a record \$489.6 million, compared to \$321.3 million for the same period a year ago, an increase of 52%. For the fourth quarter of 2004, consolidated earnings per diluted share were \$1.22, compared to \$0.76 for the fourth quarter of 2003, which represents an increase of 61%. For the year ended December 31, 2004, consolidated earnings per diluted share were \$3.95, compared to \$2.70 for the same period of 2003, an increase of 46%. Consolidated earnings per diluted share reflect the adoption of a new accounting pronouncement effective for periods ending after December 15, 2004 and applied by retroactively restating previously reported earnings per share. This new accounting pronouncement resulted in the addition of 8.674 million shares of common stock to the fully diluted common stock share base by assuming the conversion of the 1.38 million outstanding shares of the Company's contingently convertible preferred stock.

For the year ended December 31, 2004, Doral Financial achieved a return on assets (ROA) of 3.85%, compared to 3.46% a year ago and a return on common equity (ROE) of 38.54%, compared to 32.36% for the year ended December 31, 2003.

On August 22, 2004, local legislation was enacted to provide a temporary reduction in the long-term capital gain tax rates. The law amends the Puerto Rico Internal Revenue Code of 1994 to reduce the long-term capital gain tax rates by fifty percent for transactions occurring from July 1, 2004 through June 30, 2005. During the fourth quarter ended December 31, 2004, the Company effected certain tax planning strategies to accelerate long-term capital gains that had been deferred for tax purposes and, as a consequence, the Company recorded an income tax benefit of \$77.0 million. Excluding this benefit, the Company's effective income tax rate for the fourth quarter ended December 31, 2004 was approximately 18%.

Investment activities for the fourth quarter of 2004 resulted in a loss of \$95.4 million, compared to a loss of \$8.0 million for the fourth quarter of 2003. The loss on investment activities during the fourth quarter of 2004 was principally due to an impairment on the value of the Company's interest-only strips (IOs) of \$97.5 million as a result of increases in the 3-month London Interbank Offered Rate ("LIBOR") which reduced the anticipated spread of the Company's variable rate IOs. If contrary to what is generally expected, LIBOR decreases, a portion of the impairment charges on the value of the IOs could be recovered. The Company recorded impairment charges on the value of its IOs of \$131.0 million for the year ended December 31, 2004, compared to a positive valuation adjustment of \$7.3 million for the corresponding 2003 period. Investment activities resulted in a loss of \$190.1 million for the year ended December 31, 2004, compared to a gain of \$11.0 million for the respective 2003 period. The loss on investment activities experienced during 2004 also included derivatives undertaken for interest rate management purposes.

Net interest income for the fourth quarter of 2004 amounted to \$70.3 million, compared to \$57.4 million for the same period a year ago, an increase of 23%. For the year ended December 31, 2004, net interest income amounted to \$285.9 million, compared to \$181.5 million for the year ended December 31, 2003, an increase of 47%. The increase in net interest income resulted from higher net interest earning assets during the 2004 periods.

Loan production volume for the fourth quarter of 2004 was a record \$2.0 billion, compared to \$1.7 billion for the comparable 2003 period, an increase of \$299.2 million or 17%. For the year ended December 31, 2004, loan production volume was \$7.8 billion, compared to \$6.5 billion for the corresponding 2003 period, an increase of 20%. The increase reflected the continued high demand for new housing in Puerto Rico and Doral's strong share of the new housing market, especially in the growing government-sponsored affordable housing loan sector. Many of these mortgage products benefit from local tax exemption on the interest earned thereon. The strength of mortgage loan production, helped increase the servicing portfolio to a record \$14.3 billion as of December 31, 2004 from \$12.7 billion as of December 31, 2003.

Net gain on mortgage loan sales and fees, the main component of non-interest income, was \$165.8 million for the fourth quarter of 2004 compared to \$116.1 million for the corresponding 2003 period. Net gain on mortgage loan sales and fees was \$598.8 million for the year ended December 31, 2004, compared to \$390.1 million for the corresponding period a year ago. The increase was principally due to increased volume of loan sales as a result of record mortgage loan production.

Demand for the Company's mortgage loans has increased to record levels.

Net servicing loss for the quarter ended December 31, 2004 was approximately \$0.4 million compared to a loss of \$3.6 million for the fourth quarter of 2003. For the year ended December 31, 2004, net servicing income was \$4.9 million compared to a loss of \$15.1 million for the corresponding period of 2003. The increase in net servicing income for the quarter and year ended December 31, 2004, was due to reduced amortization and impairment charges resulting from lower prepayments. The Company recorded amortization and impairment charges of \$10.7 million and \$35.7 million during the quarter and year ended December 31, 2004, respectively, compared to \$12.7 million and \$50.4 million for the same periods a year ago.

Commissions, fees and other income increased 40% during the fourth quarter of 2004 from \$5.8 million for the quarter ended December 31, 2003 to \$8.1 million. For the year ended December 31, 2004, commissions, fees and other income increased to \$36.8 million, compared to \$25.8 million for the corresponding 2003 period. The increase during the 2004 periods was due primarily to increased commissions and fees earned by Doral Financial's retail banking and insurance agency operations.

Non-Interest expenses increased 24% during the fourth quarter of 2004 from \$47.0 million for the fourth quarter of 2003 to \$58.3 million. For the year ended December 31, 2004, non-interest expenses increased to \$209.1 million, compared to \$165.8 million for the corresponding 2003 period. The increase during the 2004 periods reflects increases in compensation and benefits related to higher head count, occupancy and other office expenses and professional fees resulting from the continued expansion of Doral Financial's mortgage banking and banking operations and compliance with the requirements of the Sarbanes-Oxley Act of 2002.

The provision for loan losses was \$1.0 million and \$5.5 million for the quarter and year ended December 31, 2004, respectively, as compared to \$2.8 million and \$14.1 million for the respective 2003 periods. The Company determined, based on an analysis of the credit quality and composition of its loan portfolio, that a smaller provision for 2004 was required to maintain its level of loan loss reserves at an appropriate level.

Doral Bank, Puerto Rico, the Company's principal banking subsidiary, finished the year 2004 with \$11.2 billion in assets, including assets of its international banking entity subsidiary, Doral International, Inc., and \$3.4 billion in deposits, an increase of 67% and 23%, respectively, compared to December 31, 2003.

Doral Bank, New York also continued its steady growth. As of December 31, 2004, Doral Bank NY had assets of \$562.3 million and deposits of \$385.6 million, an increase of 11% and 16%, respectively, compared to December 31, 2003.

Mr. Salomon Levis, Chairman of the Board and Chief Executive Officer, called the financial results for 2004 "truly outstanding, with the Company achieving the following milestones during the year:

- Record Loan Production of \$7.8 billion, up 20% for the year
- Record Earnings of \$489.6 million, an increase of 52% over 2003
- Record Consolidated Bank Assets of \$11.7 billion and Consolidated Deposits of \$3.6 billion at year end, up 63% and 23% for the year, respectively
- Record Capital of \$2.0 billion, up 24% for the year, a Tier-One Capital ratio close to 20%, one of the highest in the financial industry
- Record Loan Servicing Portfolio of \$14.3 billion, up 12% for the year
- Record Consolidated Assets of \$15.1 billion at year end, up 45% for the year
- Record ROA of 3.85% and ROE of 38.54% for the year
- Record Efficiency Ratio of 23.1% for the year, one of the best among all banking or financial holding companies in the U.S.

- Increased dividend rate on our common stock which was increased twice during the year
- Record all time high for the price of Doral's common stock, up 53% for the year and 3,754% for the last 10 years, compared to an increase of 11% and 281% corresponding to the same periods for the S&P 500 Bank Index

For the year 2005, we anticipate the following highlights:

- A significant increase in tax-exempt AAA rated Mortgage-Backed Securities and U.S. Treasuries with the resulting increase in tax-exempt interest income, as a result of deploying our strong capital and cash positions
- Another year of strong residential mortgage loan production and a strong increase in secured real estate commercial loans and other loan products at the Company's banking entities
- Continued strong demand of new housing loans including the growing government-sponsored affordable housing loans, most of which enjoy tax-exempt interest rates
- Continued strong production of refinancing loans for debt consolidation purposes which are highly profitable for the Company
- Continued strength from the Company's banking operations
- Increased commissions and profitability from our insurance agency business
- Maintenance of an effective asset/liability management program."

Mr. Levis closed by stating: "Even though the market is anticipating higher interest rates, we expect that 2005 will be another year of challenges and opportunities for the Company. We remain optimistic and are committed to working hard and to deliver to our shareholders enhanced value on a consistent basis."

Doral Financial's Chief Executive Officer and its Senior Executive Vice President and Treasurer are available to answer appropriate questions regarding earnings results as well as other corporate matters at any time convenient to interested participants. You are welcome to call.

FORWARD LOOKING STATEMENTS

This press release contains certain "forward-looking statements" concerning the Company's economic future performance. The words or phrases "expect," "anticipate," "project," "look forward," "should" and similar expressions are meant to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995.

The Company wishes to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made, and to advise readers that various factors, including regional and national economic conditions, changes in interest rates, competitive and regulatory factors and legislative changes, could affect the Company's financial performance and could cause the Company's actual results for future periods to differ materially from those anticipated or projected.

The Company does not undertake, and specifically disclaims any obligation, to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

Quarter Ended

December 31,	September 30,
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Press Release

Page 4 of 9

	2004	2003	2004
Interest income	\$ 160,412	\$ 124,004	\$ 146,399
Interest expense	90,067	66,640	76,545
Net interest income	70,345	57,364	69,854
Provision for loan losses	1,009	2,776	325
Net interest income after provision for loan losses	69,336	54,588	69,529
Non-interest income:			
Net gain on mortgage loan sales and fees	165,840	116,056	165,480
Investment activities:			
Trading activities	(96,751)	(9,743)	(61,290)
Gain on sale of investment securities	1,341	1,750	10,548
Total investment activities	(95,410)	(7,993)	(50,742)
Servicing (loss) income	(379)	(3,588)	5,928
Commissions, fees and other income	8,084	5,777	10,241
Total non-interest income	78,135	110,252	130,907
Non-interest expense:			
Compensation and benefits, net	23,642	19,235	23,630
Taxes, other than payroll and income taxes	2,506	2,200	2,389
Advertising	4,410	3,898	3,366
Professional services	4,540	2,446	3,053
Communication and information systems	3,614	3,545	3,610
Occupancy and other office expenses	7,542	5,863	7,105
Depreciation and amortization	5,102	3,998	4,345
Other, net	6,993	5,846	6,723
Total non-interest expense	58,349	47,031	54,221
Income before income taxes	89,122	117,809	146,215
Income tax benefit (expense)	61,392	(23,155)	(25,587)
Net Income	\$ 150,514	\$ 94,654	\$ 120,628
Earnings Per Common Share:			
Basic	\$ 1.32	\$ 0.80	\$ 1.04
Diluted	\$ 1.22	\$ 0.76	\$ 0.97
Weighted Average Common Shares Outstanding:			
Basic	107,908,774	107,903,632	107,908,216
Diluted	120,105,894	119,354,462	119,843,976
Common Shares Outstanding At End Of Period	107,908,862	107,903,912	107,908,412

Press Release

Page 5 of 9

	Year Ended	
	December 31,	
	2004	2003
Interest income	\$ 570,847	\$ 452,570
Interest expense	304,949	271,090
Net interest income	265,898	181,480
Provision for loan losses	5,507	14,085
Net interest income after provision for loan losses	260,391	167,395
Non-interest income:		
Net gain on mortgage loan sales and fees	598,762	390,081
Investment activities:		
Trading activities	(200,607)	5,591
Gain on sale of investment securities	10,550	5,447
Total investment activities	(190,057)	11,038
Servicing (loss) income	4,893	(15,117)
Commissions, fees and other income	36,786	25,770
Total non-interest income	450,384	411,772
Non-interest expense:		
Compensation and benefits, net	89,305	82,940
Taxes, other than payroll and income taxes	9,363	7,587
Advertising	15,079	15,311
Professional services	12,620	8,644
Communication and information systems	13,812	13,323
Occupancy and other office expenses	26,825	22,787
Depreciation and amortization	18,030	14,963
Other, net	24,018	20,247
Total non-interest expense	209,052	185,802
Income before income taxes	501,723	393,365
Income tax benefit (expense)	(12,098)	(72,066)
Net Income	\$ 489,625	\$ 321,299
Earnings Per Common Share:		
Basic	\$ 4.23	\$ 2.78
Diluted	\$ 3.95	\$ 2.70
Weighted Average Common Shares		
Outstanding:		
Basic	107,907,699	107,861,415
Diluted	119,744,176	112,661,848
Common Shares Outstanding At End Of Period	107,908,862	107,903,912

Doral Financial Corporation
Consolidated Statements of Financial Condition
(Dollars in Thousands)

Press Release

Page 6 of 9

(NYSE:DRL)
(Unaudited)

	As of		
	December 31, 2004	September 30, 2004	December 31, 2003
Assets			
Cash and due from banks	\$ 64,940	\$ 82,858	\$ 84,713
Money market investments	2,470,786	2,024,317	870,009
Investment securities:			
Trading securities, at fair value	1,243,543	1,220,437	944,150
Securities available-for-sale, at fair value	4,982,508	4,445,982	2,850,598
Securities held-to-maturity, at amortized cost	2,316,780	2,492,435	1,640,909
Federal Home Loan Bank of NY (FHLB) stock, at cost	86,120	86,120	81,720
Total investment securities	8,628,951	8,244,974	5,517,377
Loans:			
Mortgage loans held for sale, at lower of cost or market	1,560,949	1,638,683	1,966,608
Loans receivable, net	1,752,490	1,626,249	1,410,849
Total loans	3,313,439	3,264,932	3,377,457
Receivable and mortgage servicing advances	112,103	99,668	90,835
Accounts receivable from investment sales	40,052	726,094	19,520
Accrued interest receivable	66,393	60,772	63,771
Servicing assets, net	203,245	191,713	167,498
Premises and equipment, net	146,551	145,661	136,037
Real estate held for sale, net	20,072	20,287	19,253
Other assets	35,869	40,091	47,526
Total assets	\$15,102,401	\$14,901,367	\$10,393,996
Liabilities			
Deposits	\$ 3,643,080	\$ 3,420,813	\$ 2,971,272
Securities sold under agreements to repurchase	6,305,163	5,898,550	3,602,942
Advances from FHLB	1,294,500	1,294,500	1,206,500
Loans payable	279,560	177,204	178,334
Notes payable	1,105,202	1,106,367	602,581
Accounts payable from investment purchases	325,740	879,895	2,245
Accrued expenses and other liabilities	176,387	268,371	237,682
Total liabilities	13,129,632	13,045,700	8,801,556
Stockholders' Equity			
Preferred stock, at aggregate liquidation preference value:			

Press Release

Page 7 of 9

Perpetual noncumulative nonconvertible preferred stock (Series A, B and C)	228,250	228,250	228,250
Perpetual cumulative convertible preferred stock	345,000	345,000	345,000
Common stock, \$1 par value; 500,000,000 shares authorized; 107,908,862, 107,908,412 and 107,903,912 shares issued and outstanding as of December 31, 2004, September 30, 2004 and December 31, 2003, respectively	107,909	107,908	107,904
Additional paid-in capital	161,639	159,212	151,902
Legal surplus	22,612	13,806	13,806
Retained earnings	1,187,294	1,073,334	804,518
Accumulated other comprehensive loss, net of income tax	(79,935)	(71,843)	(58,940)
Total stockholders' equity	1,972,769	1,855,667	1,592,440
Total liabilities and stockholders' equity	\$15,102,401	\$14,901,367	\$10,393,996

Doral Financial Corporation
Selected Financial Data
(Dollars in Thousands, except Per Share Data)
(NYSE:DRL)
(Unaudited)

Operational Data	Quarter Ended		Year Ended	
	December 31,	September 30,	December 31,	
	2004	2003	2004	2003
Loan Production	\$2,030,434	\$1,731,269	\$1,985,515	\$7,802,694 \$6,478,802

Loan Servicing Portfolio	As of		
	December 31,	September 30,	December 31,
	2004	2004	2003
Loan Servicing Portfolio	\$14,264,367	\$13,873,789	\$12,690,244

Asset Quality Data	Quarter Ended		Year Ended	
	December 31,	September 30,	December 31,	
	2004	2003	2004	2003
Allowance for loan losses	\$28,401	\$28,211	\$28,575	\$28,401 \$28,211
Net charge-offs	\$ 866	\$ 1,953	\$ 1,136	\$ 4,051 \$ 4,267

Quarter Ended		Year Ended	
December 31,	September 30,	December 31,	
2004	2003	2004	2003

Press Release

Page 8 of 9

Financial Ratios	December 31,		September 30,	December 31,	
	2004	2003	2004	2004	2003
Return on average assets	4.04%	3.70%	3.66%	3.85%	3.46%
Return on average common equity	42.72%	34.32%	37.47%	38.54%	32.36%
Efficiency ratio	23.92%	26.78%	21.56%	23.07%	31.91%

Per Share Data	Quarter Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2004	2003	2004	2004	2003
Book value per common share	\$ 12.97	\$ 9.45	\$ 11.88	\$ 12.97	\$ 9.45
Cash dividends per common share	\$ 0.18	\$ 0.12	\$ 0.15	\$ 0.60	\$ 0.40
Common stock dividend payout ratio	14.75%	15.79%	15.46%	15.19%	14.81%

Doral Financial Corporation
Selected Financial Data (continued)
(Dollars in Thousands)
(NYSE:DRL)
(Unaudited)

Commissions, Fees and Other Income	Quarter Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2004	2003	2004	2004	2003
Retail banking fees	\$ 3,614	\$ 2,933	\$ 3,570	\$ 13,578	\$ 11,000
Securities brokerage and asset management fees and commissions	440	367	389	1,945	2,993
Insurance agency commissions	2,949	2,148	2,972	11,852	7,910
Other Income	1,081	329	3,310	9,411	3,867
Total commissions, fees and other income	\$ 8,084	\$ 5,777	\$ 10,241	\$ 36,786	\$ 25,770

Segment Information	Quarter Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2004	2003	2004	2004	2003
Net Income					

Press Release

Page 9 of 9

Reportable Segments:					
Mortgage banking	\$111,148	\$64,218	\$ 67,826	\$290,269	\$192,515
Banking	36,743	28,383	48,542	184,661	121,369
Institutional securities	923	778	1,006	4,366	5,551
Insurance agency	2,661	1,644	2,867	10,932	6,058
Intersegment Eliminations	(961)	(369)	387	(603)	(4,194)
<hr/>					
Consolidated Net Income	\$150,514	\$94,654	\$120,628	\$489,625	\$321,299
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CONTACT: Doral Financial Corporation
 Mario S. Levis, 787-474-6709

SOURCE: Doral Financial Corporation

GX 209

AGREEMENT BETWEEN POPULAR SECURITIES & DORAL FINANCIAL CORPORATION

This Agreement dated February 23, 2005 (the "Agreement") between Popular Securities, Inc. ("Popular Securities") and Doral Financial Corporation ("Doral Financial" or the "Company"), sets forth the terms and conditions of the engagement by Doral Financial of Popular Securities with respect to the provision of investment banking services related to the estimated value of certain interest-only strips ("IOs") owned by Doral Financial. The IOs have been created by the Company in connection with the sale of mortgage loans to third-party investors with servicing retained.

Doral Financial hereby engages Popular Securities to provide an annual analysis and quarterly updates in regards to the estimated value of the IOs. The estimated value is solely for the information of and assistance of Doral Financial in estimating the value of the IOs and is not to be used, circulated, quoted, relied upon or otherwise referred to without the written consent of Popular Securities.

Popular Securities hereby accepts the engagement and agrees to undertake the following:

- (a) Review schedule provided by Doral Financial on a quarterly basis containing information relating to the mortgage loans underlying the IOs;
- (b) Analyze the prepayment speed of the mortgage loans over their lives, and the most recent three months, and make adjustments as provided by the Company;
- (c) *See enclosed*
~~Analyze certain pricing and prepayment information for publicly traded pools of securitized mortgage loans available from various public and private sources;~~
- (d) Perform such other studies and analyses as Popular Securities considers appropriate;
- (e) Make the assumptions necessary for valuation purposes; and
- (f) *A QUARTERLY*
~~Deliver an annual analysis containing the estimated value of the IOs and a quarterly update for the Company's internal purposes of such estimated value.~~

A QUARTERLY FEE OF \$25,000 FOR EACH QUARTERLY SERVICE
As compensation for the services described above, Popular Securities shall be entitled to receive ~~an annual fee of \$37,500 for each annual estimate, and an update fee of \$18,750 for each quarterly update.~~ All reasonable out-of-pocket expenses of Popular Securities in connection with the engagement will be the responsibility of Popular

Securities Any extraordinary expenses of Popular Securities in connection with this engagement will be the responsibility of the Company; provided that they are pre-approved by the Company.

May 31, 2005

The term of Popular Securities' engagement hereunder shall extend from the date hereof through ~~June 30, 2006~~. This engagement ~~can be extended for additional periods upon the mutual agreement of the parties. Will be extended automatically for additional~~ *three (3) months periods unless one of the parties notifies the other in writing 30 days in advance*

In connection with this engagement Doral Financial hereby agrees to indemnify and hold harmless Popular Securities and its affiliates, the respective directors, officers, partners, agents and employees of Popular Securities and its affiliates and each other person, if any, controlling Popular Securities or any of its affiliates, to the full extent lawful, from and against all losses, claims, damages, liabilities and expenses incurred by them (including, subject to the limitations set forth below, fees and disbursements of counsel) which (A) are related to or arise out of (i) actions taken or omitted to be taken (including, any untrue statements made or any statements omitted to be made) by Doral Financial or (ii) actions taken or omitted to be taken by an indemnified person with Doral Financial's consent or in conformity with Doral Financial's actions or omissions or (B) are otherwise related to or arise out of Popular Securities activities on Doral Financial's behalf under this engagement, and Doral Financial will reimburse Popular Securities and any other person indemnified hereunder for all expenses (including, subject to the limitations set forth below, fees and disbursements of counsel) as they are incurred by Popular Securities or such other indemnified person in connection with investigating, preparing or defending any such action or claim, whether or not in connection with pending or threatened litigation in which Popular Securities or any other indemnified person is a party. Doral Financial will not be responsible, however, for any losses, claims, damages, liabilities or expenses pursuant to clause (B) of the preceding sentence which are finally judicially determined to have resulted primarily from the wrongful conduct, bad faith or negligence of the person seeking indemnification hereunder. Doral Financial also agrees that neither Popular Securities nor any of its affiliates, nor any director, officer, partner, agent or employee of Popular Securities or any of its affiliates, nor any person controlling Popular Securities or any of its affiliates, shall have any liability to Doral Financial for or in connection with such engagement except for such liability for losses, claims, damages, liabilities or expenses incurred by Doral Financial which is finally judicially determined to have resulted primarily from Popular Securities' wrongful conduct, bad faith or negligence. Popular Securities will promptly notify Doral Financial in writing after receipt of notice of a claim or commencement of an action as to which Popular Securities may seek indemnification hereunder. Popular Securities' failure to so notify Doral Financial will relieve Doral Financial from any obligation or liability which Doral Financial would otherwise have hereunder if Doral Financial has been materially prejudiced by the failure. In the event Popular Securities seeks indemnification hereunder, Doral Financial will be entitled to assume the defense thereof, at its own expense, with counsel reasonably satisfactory to Popular Securities; provided, however, that Popular Securities may at its own expense retain separate counsel to participate in such defense. Notwithstanding the foregoing, Popular Securities will have the right to retain its own counsel, at the expense of Doral

Financial, and to control its own defense, if in the opinion of Popular Securities counsel, use of counsel of Doral Financial's choice could reasonably be expected to give rise to a conflict of interest. Doral Financial further agrees that Doral Financial will not, without the prior written consent of Popular Securities, which consent shall not be unreasonably withheld, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (when Popular Securities or any indemnified person is an actual or potential party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of Popular Securities and each other indemnified person hereunder from all liability arising out of such claim, action, suit or proceeding. Doral Financial further agrees that it will not settle or compromise or consent to any entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not Popular Securities or any other indemnified person is an actual or potential party to such claim, action, suit or proceeding) unless Doral Financial has first given Popular Securities reasonable prior notice of such proposed settlement, compromise or consent and consulted in good faith with Popular Securities as to the inclusion therein of an unconditional release of Popular Securities and each other indemnified person from all liability arising out of such claim, action, suit or proceeding. Popular Securities agrees that neither it nor any other person which may be entitled to such indemnification under this paragraph will, without the prior written consent of Doral Financial, which shall not be unreasonably withheld, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not Popular Securities or any indemnified party is an actual or potential party to such claim, action, suit or proceeding), unless Popular Securities waives its right to indemnification from Doral Financial with respect to such claim, action, suit or proceeding and gives Doral Financial reasonable prior notice of such proposed settlement compromise or consent and consults in good faith with Doral Financial as to the inclusion therein of an unconditional release of Doral Financial from all liability arising out of such claim, action, suit or proceeding. The foregoing agreement of Doral Financial in this paragraph shall be in addition to any rights that Popular Securities or any indemnified person may have at common law or otherwise, including, but not limited to, any right to contribution. Doral Financial hereby consents to personal jurisdiction and service and venue in any court in which any claim which is subject to this agreement is brought against Popular Securities or any other indemnified person.

Popular Securities has right to be engaged to act for Doral Financial in one or more additional capacities, and the terms of this engagement or any such additional engagement may be embodied in one or more separate written agreements.

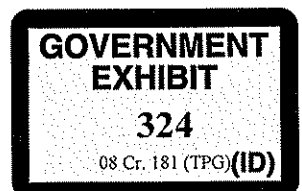
Except as required by applicable law after prior notice to Doral Financial, Popular Securities shall keep confidential, and use only for the purposes contemplated by the terms hereof, all confidential proprietary information provided to it by Doral Financial, *AS WELL AS Popular Securities' WORKING PAPERS, ESTIMATED VALUE OF THE IOs* or any other information related to this engagement.

GX 324

DORAL FINANCIAL CORPORATION

**Memorandum of Recommendations to
Improve Internal Controls
December 31, 2001**

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February 15, 2002

Mr. Salomón Levis
Chairman of the Board and CEO
Doral Financial Corporation
Doral Financial Plaza
Ave. Roosevelt 1451
Hato Rey, Puerto Rico, 00918

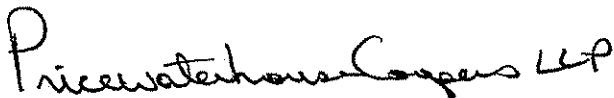
Dear Mr. Levis:

In planning and performing our audit of the financial statements of Doral Financial Corporation for the year ended December 31, 2001, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. However, we noted certain matters involving internal control and its operation, and are submitting for your consideration related observations and recommendations designed to help the Company improve internal control and achieve operational efficiencies.

We would like to take the opportunity of this letter to express our appreciation for the courtesies and cooperation extended to us during our audit work.

This letter is intended solely for the information and use of the audit committee, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "PricewaterhouseCoopers LLP". The signature is written in dark ink and is positioned below the "Very truly yours," text.

Cc: Audit Committee Members

DORAL FINANCIAL CORPORATION

Memorandum of Recommendations to Improve Internal Controls

December 31, 2001

LOANS

Recommendation 1:

Management should continue strengthening the reconciliation process of the general ledger and the subsidiary ledger for the mortgage loans balance to improve its efficiency.

During the course of our audit, we noted that the reconciliation process of the general ledger and the subsidiary ledger for the mortgage loans balance is a time consuming task that requires a lot of effort from personnel of the Accounting Department.

Based on our inquiries to the accounting personnel, we understand that management is aware that the reconciliation is a troublesome process that requires a lot of manual input and data gathering. We encourage management to analyze the process further to identify how it could be mechanized to improve its deficiency.

Management Comments:

Presently, the Corporate Accounting and the Investors Accounting Departments are coordinating a project to share the responsibilities regarding the accounting and reconciliation process of the mortgage loan transactions and the related subsidiary ledger and general ledger control account. Under the new process, the Investors Accounting Department will identify and record all transactions affecting the loans' portfolio in a general ledger clearing account. The Accounting Department will be responsible for clearing the balances in the general ledger account with the recognition of cash received, cash paid or the reclassification of balances as considered necessary.

This process will help ensure that the owned portfolio general ledger account is only affected by the Investors Accounting Department and accordingly, the inventory in the HR&W system should agree with the control account in the general ledger. Reconciling items will be segregated in the clearing account for investigation by both departments, if not cleared within a reasonable time.

INVESTMENTS

Recommendation 2:

Management should enhance the internal valuation model for the interest only strips.

Presently, management obtains an external valuation for the Company's portfolio of interest only strips and validates the reasonableness of that valuation with an internal valuation model that is based on a present value analysis of the aggregated cash flows.

We recommend management to enhance the internal valuation model by considering, among other things, the following matters:

- The analysis should be performed at the individual pool level instead of in the aggregate in order to reflect the underlying characteristics of each pool more accurately (i.e., prepayment speed, delinquency, weighted average life, weighted average coupon, etc.); and
- The analysis should consider the effect of the floating spread in the valuation of the pools with variable payments to the investor.

DORAL FINANCIAL CORPORATION
Memorandum of Recommendations to Improve Internal Controls
December 31, 2001

Management Comments:

We will continue enhancing our internal valuation model for the interest only strips.

ACCOUNTS RECEIVABLE

Recommendation 3:

Management should evaluate the process for claims to HUD to ensure its efficiency and effectiveness.

During our audit we noted that the process of claiming loans to HUD was not efficient and effective. The list of outstanding claims showed claims that have been outstanding for extended periods of time and their status was not clear from the records provided.

This situation was communicated to management during our interim visit. During our year-end visit we noted that management took certain corrective actions to improve the process. Based on our follow-up inquiries to management, it seems that the situation has improved, however, we encourage management to evaluate the operations of the department in order to identify areas where the process could be enhanced for efficiency and effectiveness. In addition, we recommend management the formal documentation of the policies and procedures of the department and to establish clear and achievable goals that would serve to evaluate the activities of the department.

Management Comments:

Management has concentrated a significant effort to improve the operation of the Claims Area. Additional experienced personnel have been transferred to strengthen the day-to-day operations of the Area. Management is also evaluating the acquisition of a new EDP application to manage the servicing portfolio and the administration of claims to HUD and foreclosed properties.

Formal documentation of policies and procedures for the Claims Area will be developed during the second semester of 2002.

FINANCIAL REPORTING AND ACCOUNTING POLICIES AND PROCEDURES

Recommendation 4:

Management should emphasize to the Company's various departments the importance of the completeness and accuracy of the data that the departments provide to the Accounting and Financial Reporting Departments.

The Accounting and Financial Reporting Department receive data from the Company's various departments that are used to prepare the financial statements and review the Company's operations. While these data are generally accurate and complete, during our audit we noted that in certain instances the data provided by the departments needed revisions.

We suggest the financial management to continue strengthening the communication channels among the departments and to re-emphasize to the other departments the importance of the completeness and accuracy of the data that the departments generate in order to ensure the accuracy of the financial reporting and improve the efficiency of the procedures.

DORAL FINANCIAL CORPORATION
Memorandum of Recommendations to Improve Internal Controls
December 31, 2001

Management Comments:

Agreed. Written communication has been sent to the different departments and subsidiaries to re-emphasize the importance of the completeness and accuracy of the data provided by them. Also, training sessions covering the completion of the reporting package to corporate will be increased.

Recommendation 5:

Management should establish internal controls for the oversight of the employees' savings plan.

During our audit we noted that responsibility for the oversight of the employees' savings plans have not been specifically established.

We recommend management to clearly delineate the oversight responsibilities of the savings plan among the Company's departments (i.e., Human Resources and Accounting) and to establish internal controls to monitor the operations and financial reporting of the plan periodically.

Management Comments:

The Human Resources and the Accounting Departments will coordinate to establish responsibilities regarding the different aspects of the savings plan. The Human Resources Department will be responsible for the operational matters of the plan, including the coordination of any external or internal audit. The Accounting Department will be responsible for the transfers of contributions to the savings plan administrator.

Recommendation 6:

Management should clearly delineate the responsibilities related to the human resources and payroll functions.

During the course of our audit, we became aware that certain payroll reports and the corresponding payments filed with the government agencies were inaccurate and untimely.

While we noted that management took certain immediate actions to correct the situation, we encourage management to design and implement permanent actions that would correct the situation and avoid future problems in those functions. Furthermore, management should evaluate the structure of the Human Resources Department and its resources to ensure that it is adequate to support the operation of the Company.

Management Comments:

Management is in the process of hiring a Human Resource Director who will evaluate the actual structure and will make the necessary changes.

DORAL FINANCIAL CORPORATION

Memorandum of Recommendations to Improve Internal Controls December 31, 2001

Recommendation 7:

Management should continue enhancing the documentation of policies and procedures surrounding the accounting and valuation of certain assets and liabilities.

During the course of our audit, we noted that management developed documentation for the accounting and valuation of certain assets and liabilities (i.e., valuation of tax-exempt mortgage-backed securities, valuation of interest only strips, recourse allowance, etc.) which involve judgmental factors and estimates.

We believe that such documents represent a good effort by management to enhance the support of those balances. We also believe that the documentation could be enhanced by developing the policies and procedures further, discussing key policies and procedures with the Board of Directors, and by monitoring the adherence to such policies periodically. Furthermore, such policies may need periodical revisions to reflect the historical experience, and market and business conditions.

Management Comments:

During 2002, the Company has revised and updated its policies to address current issues.

Recommendation 8:

Management should consider developing a formal cash management system that could be integrated with the liquidity risk management function.

During our audit we noted that management uses different sources of information and tools to manage the liquidity risk and the cash flows of the Company.

While those tools seem fairly effective, we consider that management could develop a comprehensive consolidated approach to manage the Company's liquidity risk and cash flows function. This approach, supported by a mechanized system, could serve the Company to minimize the liquidity risk while maximizing the return on its net assets.

Management Comments:

During 2002, the Company has revised and updated its policies to address current issues.

DORAL FINANCIAL CORPORATION

Memorandum of Recommendations to Improve Internal Controls December 31, 2001

PRIOR YEAR RECOMMENDATIONS NOT IMPLEMENTED OR IN PROCESS OF IMPLEMENTATION

Recommendation 1:

The process followed to calculate the effects of SFAS No. 91 – "Accounting for Non-refundable Fees and Costs Associated with Originating and Acquiring Loans and Initial Direct costs and Leases" should be revised in order to identify ways of improving its efficiency and accuracy.

Presently, management performs a SFAS No. 91 analysis that requires a lot of manual calculations and estimates rather than obtaining the balance from a mechanized system.

We suggest management to evaluate alternatives to mechanize the process in order to achieve a higher level of efficiency. The mechanized process would allow the use of the actual costs and fees incurred in the origination of the loans held in the portfolio instead of an estimate based on the fees, costs and originations of the current year. Also, the detailed analysis of the incremental costs incurred in the origination of loans (pursuant to SFAS 91 guidelines) should be updated to evaluate the reasonableness of the standard cost per loan used in the analysis.

Management Comments:

The Company is currently evaluating several loan servicing applications with capabilities to manage the mechanization of SFAS No. 91.

Recommendation 2:

Management should formalize the policies and procedures for fixed assets.

During our review of the Company's procedures regarding fixed assets, we noted the following:

- A physical inventory has not been performed in the recent past;
- Fixed assets are not properly tagged with an identification control number;
- Useful life estimates for certain assets may need revision;
- Capitalization thresholds might be too low to be cost effective;

A formal capitalization policy should be implemented. This policy should establish adequate cost thresholds for capitalization and reasonable estimates for useful lives based on expected benefits that will be derived from the assets. In addition, the Company should perform periodic inventory procedures that would enhance the safeguarding of the Company's property and facilitate the identification of possible adjustments on a timely manner. While performing the physical identification, we recommend tagging the assets with a permanent identification control number to facilitate their identification and safeguarding. This procedure will enable the Company to maintain a detailed fixed assets ledger which will be helpful in assigning responsibilities over items distributed to the Company's departments and will also facilitate inventory procedures.

Management Comments:

Agreed. Recommendation will be addressed by management.

DORAL FINANCIAL CORPORATION

Memorandum of Recommendations to Improve Internal Controls

December 31, 2001

Recommendation 3:

Management should reconcile and adjust the accrued vacations balance in the general ledger based on the subsidiary ledger provided by the Human Resources Department on a quarterly basis.

While examining the vacation accrual, we noted a difference between the accrued vacations in the general ledger and the amount reflected in the detail provided by the Human Resource Department. Furthermore, we noted that certain employees (mostly senior executives) had over two years of accumulated vacations. Federal regulations require annual vacations for senior executives. Management represented to us orally that top executives normally take the vacations annually as required by the regulations, however, the subsidiary ledger does not reflect such vacation time.

We recommend management to develop a uniform policy regarding the update of the vacations subsidiary ledger for vacations taken by top executives.

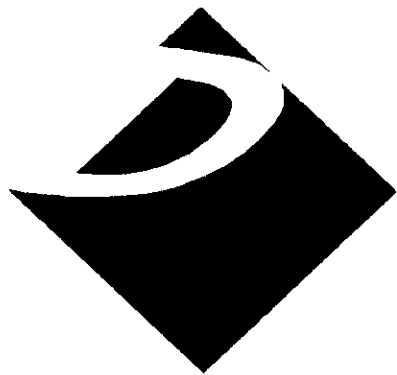
Management Comments:

The implementation of the new payroll module and the transfer of accrued vacations balances from the old system to the new one presented some difficulties. The Human Resources Department is presently working with the reconciliation of accrued vacations.

Normally, top executives have been taking their regular vacations. The final detail of accrued vacations should reflect those adjustments after the reconciliation of the subsidiary.

San Juan, Puerto Rico
February 15, 2002

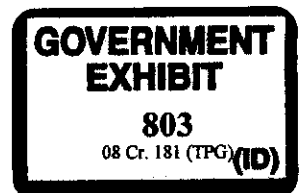
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**DORAL FINANCIAL
CORPORATION**

Board Of Directors
Monthly Report

December 31, 2004



DORAL FINANCIAL CORPORATION
CONTENTS OF BOARD OF DIRECTORS REPORT
FOR THE MONTH OF DECEMBER 2004

	<u>Page</u>
<u>Consolidated Statements of Financial Condition</u>	1-2
<u>Consolidated Statements of Income</u>	3-4
<u>EBITDA Computation</u>	5
<u>Financial Ratios and Quality Indicators</u>	6
<u>PR & US Economic Data</u>	7
<u>Average Balance Sheet, Interest Yield and Variance Analysis</u>	8
<u>Reconciliation of Income per Books to Taxable Income</u>	9
<u>Subsidiaries Support Service and Rent Charges Allocation</u>	10
<u>Segment Data:</u>	
Segment Information, QTD & YTD	11-12
Non-Interest Income Detail Segment Information, QTD & YTD	13-14
Condensed Financial Information Banking Subsidiaries, QTD & YTD	15-16
Condensed Financial Information International Banking Entities	17
Liquidity and Collateral Available by Operating Segment	18
<u>Investment Securities:</u>	
Securities Portfolio	19
Investment Securities Portfolio as per First Manhattan Group Format	20
Activity of Securities Portfolio	21-23
<u>Hedging Information:</u>	
Hedging Loss Limit	24
Hedging Purpose	25
Report of Open Position on Option Transactions	26

DORAL FINANCIAL CORPORATION
CONTENTS OF BOARD OF DIRECTORS REPORT
FOR THE MONTH OF DECEMBER 2004

	<u>Page</u>
<u>Loan Production Data:</u>	
Consolidated Loan Production Information	27
Consolidating Production Schedule:	
• 2004	28
• 2003	29
Construction Loans Closed During the Year:	
• Puerto Rico	30-31
• New York	32
Aggregate Loans to One Borrower Limits:	
• Consolidated	33-34
• Doral Bank-PR	35-36
• Doral Bank-NY	37
Loans Outstanding to Officers & Directors	38-39
<u>Portfolio Delinquency:</u>	
Quarterly Past Due Loan Migration Report	40-41
Consolidating Quarterly Schedule of Non-Performing Assets	42-43
Material Delinquent and Impaired Loans in Portfolio	44
Quarterly Schedule of Asset Quality Data	45
Quarterly Schedule of Asset Quality Data Composition	46
Allowance for Loan Losses	47
Allocation of Allowance for Loan Losses	48
<u>Retained Interest Information:</u>	
Mortgage Servicing Rights	49
Interest-Only Strips	50
Interest-Only Strips - Valuation Analysis	51
Interest-Only Strips - Sensitivity Analysis to Assumptions Used in the Internal Valuation Process	52
<u>Selected Liabilities Data:</u>	
Contractual Obligations	53
Deposits Information	54
Available Lines of Credit	55
<u>Shock Analysis</u>	56

DORAL FINANCIAL CORPORATION
CONTENTS OF BOARD OF DIRECTORS REPORT
FOR THE MONTH OF DECEMBER 2004

	<u>Page</u>
<u>Loan Servicing:</u>	
Portfolio Statistics and Prepayments	57
Portfolio Delinquency Information	58
Prepayment Chart 2004 vs 2003	59
Summary of Recourse Exposure	60
<u>Regulatory Capital Position:</u>	
Consolidated	61
Doral Bank-PR	62
Doral Bank-NY	63
Regulatory Capital Requirements and Interest-Only Strips Limit	64
<u>Commitments to Sell Loans</u>	65
<u>Headcount Information</u>	66
<u>List of Retail Offices By Company & Deposits by Branch</u>	67-68
<u>Sarbanes-Oxley Act Certification Forms Status</u>	69-70

DORAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(DOLLARS IN THOUSANDS)

	AS OF			
	Dec-04 (UNAUDITED)	Nov-04 (UNAUDITED)	Sep-04 (UNAUDITED)	Dec-03 (AUDITED)
ASSETS				
Cash and due from banks	\$ 64,940	\$ 87,604	\$ 82,858	\$ 84,713
Money market investments:				
Securities purchased under agreements to resell	49,245	49,245	-	50,000
Time deposits with other banks	2,421,541	2,076,873	2,024,317	820,009
Total money market investments	2,470,786	2,126,118	2,024,317	870,009
Loans:				
Mortgage loans held-for-sale, at lower of cost or market	1,568,604	1,709,879	1,645,185	1,975,110
Loans receivable	1,773,236	1,655,097	1,648,322	1,430,558
Allowance for loan losses	(28,401)	(29,542)	(28,575)	(28,211)
Total loans, net	3,313,439	3,335,434	3,264,932	3,377,457
Investment securities:				
Trading securities, at fair value	1,243,543	1,311,479	1,220,437	944,150
Securities available-for-sale, at fair value	4,982,508	4,729,559	4,445,982	2,850,598
Securities held-to-maturity, at amortized cost	2,316,780	2,380,960	2,492,435	1,640,909
FHLB stock, at cost	86,120	86,120	86,120	81,720
Total investment securities	8,628,951	8,508,118	8,244,974	5,517,377
Receivables and mortgage servicing advances	112,103	91,466	99,668	90,835
Accounts receivable from investment sales	40,052	177,166	726,094	19,520
Accrued interest receivable	66,393	61,910	60,772	63,771
Mortgage servicing rights, net	203,245	194,599	191,713	167,498
Premises and equipment, net	146,551	146,024	145,661	136,037
Real estate held-for-sale, net	20,072	17,936	20,287	19,253
Other assets	35,869	37,596	40,091	47,526
Total assets	\$ 15,102,401	\$ 14,783,971	\$ 14,901,367	\$ 10,393,996
Escrow funds:				
Doral Bank-PR (1)	\$ 171,216	\$ 133,229	\$ 140,469	\$ 158,486
Other institutions	51,138	34,142	27,316	23,767
Total	\$ 222,354	\$ 167,371	\$ 167,785	\$ 182,253

(1) Escrow funds deposited with Doral Bank-PR are included in the Consolidated Statements of Financial Condition.

DORAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (CONT.)
(DOLLARS IN THOUSANDS)

	AS OF			
	Dec-04	Nov-04	Sep-04	Dec-03
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)
LIABILITIES				
Deposits	\$ 3,643,080	\$ 3,443,766	\$ 3,420,813	\$ 2,971,272
Securities sold under agreements to repurchase	6,305,163	6,075,545	5,898,550	3,602,942
Advances from FHLB	1,294,500	1,294,500	1,294,500	1,206,500
Loans payable	279,560	187,264	177,204	178,334
Fixed rate senior notes	271,747	271,724	271,675	271,458
Floating rate senior notes	740,330	740,340	740,362	-
Medium term notes payable	24,000	24,000	24,000	229,000
Notes payable - other	69,125	69,957	70,330	102,123
Accounts payable from investment purchases	325,740	328,921	879,895	2,245
Accrued interest payable	50,926	41,671	39,545	40,899
Accrued expenses and other liabilities	125,461	376,217	228,826	196,783
Total liabilities	13,129,632	12,853,905	13,045,700	8,801,556
STOCKHOLDERS' EQUITY				
Preferred stock:				
4.75% Convertible cumulative;				
1,380,000 shares outstanding				
at aggregate liquidation value	345,000	345,000	345,000	345,000
7% Noncumulative monthly income, Series A;				
1,495,000 shares outstanding				
at aggregate liquidation value	74,750	74,750	74,750	74,750
8.35% Noncumulative monthly income, Series B;				
2,000,000 shares outstanding				
at aggregate liquidation value	50,000	50,000	50,000	50,000
7.25% Noncumulative monthly income, Series C;				
4,140,000 shares outstanding				
at aggregate liquidation value	103,500	103,500	103,500	103,500
Common stock	107,909	107,909	107,908	107,904
Paid-in capital	161,639	160,830	159,212	151,902
Legal surplus	22,612	13,806	13,806	13,806
Retained earnings	1,285,337	1,248,615	1,143,629	868,824
Common dividends declared	(64,744)	(45,321)	(45,321)	(43,148)
Cash paid in lieu of fractional shares	-	-	-	(70)
Preferred dividends declared	(33,299)	(30,524)	(24,974)	(21,088)
Unrealized loss on securities available-for-sale	(79,935)	(98,499)	(71,843)	(58,940)
Total stockholders' equity	1,972,769	1,930,066	1,855,667	1,592,440
Total liabilities and stockholders' equity	\$ 15,102,401	\$ 14,783,971	\$ 14,901,367	\$ 10,393,996
Liability for escrow funds:				
Doral Bank-PR (1)	\$ 171,216	\$ 133,229	\$ 140,469	\$ 158,486
Other institutions	51,138	34,142	27,316	23,767
Total	\$ 222,354	\$ 167,371	\$ 167,785	\$ 182,253

(1) Escrow funds deposited with Doral Bank-PR are included in the Consolidated Statements of Financial Condition.

DORAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(DOLLARS IN THOUSANDS)

	CURRENT MONTH	PREVIOUS MONTH	QUARTER-TO-DATE			YEAR-TO-DATE	
	Dec-04	Nov-04	Dec-03	Dec-04	Sep-04	Dec-03	Dec-03
Interest income:							
Loans	\$ 20,943	\$ 19,529	\$ 19,272	\$ 59,274	\$ 58,270	\$ 57,211	\$ 219,916
Mortgage-backed securities	14,754	12,761	6,245	38,819	27,667	18,830	68,864
Investment securities	12,512	12,053	12,887	37,331	41,423	36,420	113,430
Other interest-earning assets	3,838	3,090	978	10,317	4,932	2,526	13,353
Excess servicing ("IOs") collected	14,813	14,144	11,685	42,872	39,196	33,010	116,629
Less: IO's amortization	(9,145)	(8,533)	(8,093)	(28,201)	(25,089)	(23,993)	(79,622)
Total interest income	57,715	53,044	42,974	160,412	146,399	124,004	452,570
Interest expense:							
Deposits	7,594	7,139	6,344	21,991	20,211	18,585	75,060
Repurchase agreements	14,627	13,450	7,730	41,088	31,463	22,424	90,514
Advances from FHLB	4,413	4,309	4,029	13,087	12,611	12,069	49,842
Loans payable	712	279	427	1,378	1,500	1,243	6,112
Senior notes payable	3,643	3,681	1,783	10,693	8,107	5,338	21,397
Medium term notes payable	177	173	1,667	523	923	5,000	19,993
Notes payable - other	440	432	670	1,307	1,730	1,981	8,850
Total interest expense	31,606	29,463	22,650	90,067	76,545	66,640	271,090
Net interest income	26,109	23,581	20,324	70,345	69,854	57,364	181,480
Provision for loan losses	(438)	499	1,473	1,009	325	2,776	14,085
Net interest income after provision for loan losses	26,547	23,082	18,851	69,336	69,529	54,588	167,395
Non-interest income:							
Net gain on mortgage loan sales and fees:							
Origination fees	4,311	3,388	5,974	11,162	12,298	18,824	53,578
MSRs on loan sales (SFAS 125)	11,646	4,631	5,883	21,292	16,855	12,944	47,013
IOs on loan sales, net of reverses	70,820	34,530	36,077	141,845	142,790	90,157	509,349
(Loss) gain on sales of mortgages	(2,853)	4,618	5,794	1,856	2,570	6,460	10,972
Deferred fees pursuant to SFAS 91	(2,748)	(3,826)	(3,408)	(10,315)	(9,033)	(12,329)	(36,899)
Total net gain on mortgage loan sales and fees	81,176	43,341	50,320	165,840	165,480	116,056	390,081
Trading activities:							
(Loss) gain on sale of securities	(382)	(58)	3,657	(778)	2,088	3,469	120,528
Hedging loss	(3,395)	(3,361)	(32,464)	(7,076)	(56,294)	(73,353)	(102,126)
Trading securities valuation adjustment	(98,135)	(263)	30,117	(98,277)	(8,287)	28,872	(7,556)
Derivatives valuation adjustment	(11,418)	35,019	408	9,380	1,203	31,269	(5,255)
Total trading activities	(113,330)	31,337	1,718	(96,751)	(61,290)	(9,743)	5,591
Net (loss) gain on sale of investment securities	(42)	85	1,977	1,341	10,548	1,750	5,447
Servicing income (loss) :							
Servicing fees	2,438	2,469	2,161	7,291	7,453	6,549	28,697
Late charges	615	594	628	1,910	1,889	1,801	6,958
Prepayment penalties	507	495	481	1,530	1,651	1,387	5,334
Other servicing fees	82	92	13	286	227	40	216
Interest loss on serial notes	(262)	(243)	(247)	(739)	(621)	(682)	(2,974)
Amortization of mortgage servicing rights:							
Scheduled	(2,334)	(2,314)	(1,896)	(6,932)	(6,541)	(6,516)	(25,731)
Unscheduled	(919)	(331)	(215)	(1,588)	(305)	(579)	(5,245)
Recovery (Impairment)	10	(2,162)	13	(2,137)	2,175	(5,588)	(15,868)
Total net servicing income (loss)	137	(1,400)	938	(379)	5,928	(3,588)	(15,117)
Commissions, fees and other income:							
Deposit and other retail banking fees	1,253	1,261	944	3,614	3,570	2,933	13,578
Securities fees and commissions	114	150	116	440	389	367	2,993
Insurance fees and commissions	1,002	946	701	2,949	2,972	2,148	11,852
Other income	399	410	106	1,081	3,310	329	3,867
Total commissions, fees and other income	2,768	2,767	1,867	8,084	10,241	5,777	25,770
Total non-interest (loss) income	(29,291)	76,130	56,820	78,135	130,907	110,252	411,772
Total (loss) income before non-interest expenses	(2,744)	99,212	75,671	147,471	200,436	164,840	579,167

DORAL FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (CONT.)
(DOLLARS IN THOUSANDS, EXCEPT FOR PER SHARE DATA)

	CURRENT MONTH	PREVIOUS MONTH	QUARTER-TO-DATE			YEAR-TO-DATE	
	Dec-04	Nov-04	Dec-03	Dec-04	Sep-04	Dec-03	Dec-03
Non-interest expenses:							
Compensation and benefits:							
Employee costs:							
Salaries	7,202	5,775	5,460	18,719	17,386	15,617	69,103
Bonuses:							59,213
Production bonus & commissions	2,251	2,341	1,662	6,802	6,131	5,352	25,787
Performance & christmas bonus	293	653	493	1,599	1,560	1,216	5,795
Payroll Taxes	909	624	732	2,334	1,831	1,959	8,855
Fringe Benefits	586	856	532	2,061	1,828	1,734	7,559
Total employee costs	11,241	10,249	8,879	31,515	28,736	25,878	117,099
Incentives	442	483	344	1,393	1,378	1,042	5,501
Stock-based compensation recognized	809	809	374	2,427	2,428	1,123	9,709
Deferred costs pursuant to SFAS 91	(3,644)	(3,838)	(2,898)	(11,693)	(8,912)	(8,808)	(43,004)
Total compensation and benefits	8,848	7,703	6,699	23,642	23,630	19,235	89,305
Taxes, other than payroll and income	829	854	747	2,506	2,389	2,200	9,363
Advertising	1,824	1,417	1,608	4,410	3,366	3,898	15,079
Professional services:							
Legal	441	100	197	648	404	479	2,239
Accounting and auditing	143	64	87	271	373	215	1,043
Other	1,869	875	582	3,621	2,276	1,752	9,338
Communication and information systems	1,366	1,106	1,177	3,614	3,610	3,545	13,812
Occupancy and other office expenses	2,823	2,583	2,098	7,542	7,105	5,863	26,825
Depreciation and amortization	1,741	1,620	1,408	5,102	4,345	3,998	18,030
Other expenses:							
OREO losses and maintenance expenses	904	(223)	427	801	584	644	1,886
Corporate reports and registration fees	26	34	181	80	78	273	556
Insurance corporate	182	193	160	567	571	473	2,101
Travel and entertainment	88	63	75	181	187	225	730
Dues and subscriptions	(20)	129	31	151	129	88	511
Donations and sponsorships	82	366	26	753	350	294	2,222
Bank charges	80	64	129	221	225	241	774
Training and seminars	47	67	26	139	70	126	492
Clearing cost	6	6	8	20	19	21	70
Loan processing costs	901	539	503	2,004	1,427	1,591	6,824
Directors expenses	46	50	27	137	192	63	456
Employee related expenses	352	274	265	810	536	539	2,149
Other miscellaneous expenses	1,283	1,093	855	3,227	3,484	2,237	11,189
Deferred costs pursuant to SFAS 91	(955)	(584)	(326)	(2,098)	(1,129)	(969)	(5,942)
Total other expenses	3,022	2,071	2,387	6,993	6,723	5,846	24,018
Total non-interest expenses	22,906	18,393	16,990	58,349	54,221	47,031	209,052
(Loss) income before income taxes	(25,650)	80,819	58,681	89,122	146,215	117,809	501,723
Income tax benefit (expense)	71,178	(3,745)	(11,354)	61,392	(25,587)	(23,155)	(12,098)
Net income	\$ 45,528	\$ 77,074	\$ 47,327	\$ 150,514	\$ 120,628	\$ 94,654	\$ 489,625
Net income attributable to common shareholders				\$ 142,189	\$ 112,304	\$ 86,329	\$ 456,326
Average outstanding shares for the period:							
Basic				107,908,774	107,908,216	107,903,632	107,907,699
Diluted				120,105,894	119,843,976	119,354,462	119,744,176
Earnings per share for the period:							
Basic				\$ 1.32	\$ 1.04	\$ 0.80	\$ 4.23
Diluted				\$ 1.22	\$ 0.97	\$ 0.76	\$ 3.95

DORAL FINANCIAL CORPORATION

EBITDA COMPUTATION

(DOLLARS IN THOUSANDS)

	CURRENT MONTH	PREVIOUS MONTH	YEAR-TO-DATE		
	Dec-04	Nov-04	Dec-03	Dec-04	Dec-03
Net income	\$ 45,528	\$ 77,074	\$ 47,327	\$ 489,625	\$ 321,299
Adjustments to reconcile net income to cash (used) provided by operations:					
Stock-based compensation recognized	809	809	374	9,709	4,491
IOs on loan sales, net of reverses	(70,820)	(34,530)	(36,077)	(509,349)	(281,273)
Purchase of IOs	-	-	-	(23,816)	(9,974)
IOs valuation adjustment (Recorded as SFAS 115)	97,478	-	(20,787)	131,007	(7,314)
MSRs on loan sales (SFAS 125)	(11,646)	(4,631)	(5,883)	(66,936)	(47,013)
Depreciation and amortization	1,741	1,620	1,408	18,030	14,963
Amortization and impairment / recovery of mortgage servicing rights	3,243	4,807	2,098	35,701	50,444
Amortization of IOs	9,145	8,533	8,093	101,550	79,622
Amortization of premium and discounts of loans and securities	1,992	2,540	922	11,426	8,774
Amortization of debt issue cost	129	123	166	1,473	1,531
Amortization of loan commitments	63	69	79	742	938
Provision for deferred taxes	(105,918)	(677)	1,955	(56,173)	39,980
Provision for market value reserve - trading	-	-	(8,311)	(5,632)	(5,364)
Provision for lower of cost or market - mortgages	-	-	(3,727)	-	(11,727)
Provision for loan losses	(438)	499	1,473	5,507	14,085
Provision for loan sold with recourse	458	(56)	3	3,468	1,559
Provision for REO losses	873	(260)	423	1,671	2,850
Provision for bad debt expenses	60	60	-	720	964
Provision for losses on foreclosures	207	169	90	2,376	1,080
Total adjustments	(72,624)	(20,925)	(57,701)	(338,526)	(141,384)
Cash (used) provided by operations	(27,096)	56,149	(10,374)	151,099	179,915
Dividends declared:					
Common	(19,423)	-	(13,020)	(64,744)	(43,218)
Preferred	(2,775)	(2,775)	(2,822)	(33,299)	(21,088)
Net cash (used) provided by operations after payment of dividends	\$ (49,294)	\$ 53,374	\$ (26,216)	\$ 53,056	\$ 115,609
Cash (used) provided by operations % of net income	-59.52%	72.85%	-21.92%	30.86%	56.00%
Net cash (used) provided by operations after payment of dividends % of net income	-108.27%	69.25%	-55.39%	10.84%	35.98%

DORAL FINANCIAL CORPORATION
FINANCIAL RATIOS AND QUALITY INDICATORS

	YEAR-TO-DATE		
	Dec-04	Sep-04	Dec-03
FINANCIAL STRENGTH:			
Senior Unsecured Notes to Equity	0.53:1	0.56:1	0.31:1
Total Debt to Equity	6.66:1	7.03:1	5.5:1
PROFITABILITY:			
Return on average common equity ("ROE")	38.54%	36.63%	32.36%
Return on average assets ("ROA")	3.85%	3.75%	3.46%
Interest rate margin	2.23%	2.30%	2.11%
Efficiency ratio (1)	23.07%	22.75%	31.91%
Overhead ratio (2)	-90.76%	-113.29%	-124.52%
Pre-provision income to risk weighted assets plus securitized assets (3)	3.14%	3.54%	3.16%
Return on risk weighted assets plus securitized assets (3)	4.53%	3.93%	2.42%
VALUATION RATIOS:			
Price-earnings ratio (4)	\$ 12.47	\$ 11.39	\$ 12.61
Price to Book (5)	\$ 3.80	\$ 3.49	\$ 3.42
Book value of DFC's common stock	\$ 12.97	\$ 11.88	\$ 9.45
STOCK PRICE AT END OF PERIOD:	\$ 49.25	\$ 41.47	\$ 32.28
DIVIDEND INFORMATION:			
Common stock dividends payout ratio (6)	15.19%	15.38%	14.81%
ASSET QUALITY RATIOS:			
Non-performing assets ("NPAs") of banking subsidiaries as a percentage of their total loans, net and OREO	1.24%	1.21%	0.76%
NPAs as a percentage of total assets	0.80%	0.55%	1.21%
Non-performing loans ("NPLs") as a percentage of total loans	3.02%	1.86%	3.13%
Ratio of allowance for loan losses to NPLs	28.17%	46.61%	26.47%
NPAs to tangible common equity plus loan loss reserve (3)	8.07%	5.94%	11.47%
NPAs to pre-provision income (in years) (3)	0.24	0.15	0.31
Allowance for loan losses to pre-provision income (3)	5.60%	5.14%	6.92%
DEBT RATINGS: (7)			
Moody's	Baa2	Baa2	Baa2
Standard & Poor's Rating Services	BBB-	BBB-	BBB-
Fitch	BBB+	BBB+	BBB+

(1) Computed by dividing non-interest expenses by net interest income before provision for loan losses plus non-interest income (leftout non recurring income like trading activities and gain (loss) on sale of investment securities).

(2) Computed by dividing non-interest expenses less non-interest income by net interest income before provision for loan losses. Negative overhead ratio denotes that none of the interest spread was necessary to absorb non-interest expenses.

(3) Ratios used by Moody's Investors Service in their ratings assessment.

(4) Computed by dividing the market price of the common stock outstanding at end of period by annualized diluted EPS at end of period.

(5) Computed by dividing the market price of the common stock outstanding at end of period by book value of the Company's common stock.

(6) Computed by dividing the common stock dividend per share by diluted EPS at end of period.

(7) Doral Bank rating is one notch higher than the Company's ratings.

DORAL FINANCIAL CORPORATION
PR AND US ECONOMIC DATA

	Actual	Consensus	Range		Actual	Consensus	Range		Updated	Source
	MoM	MoM	High	Low	YoY	YoY	High	Low		
Consumer Price Index US (%)	-0.10%	0.20%	0.50%	-0.10%	3.30%	3.50%	3.60%	3.30%	Dec-04	Bloomberg
Consumer Price Index Core US (%)	0.20%	0.20%	0.30%	0.00%	2.20%	2.20%	2.20%	2.10%	Dec-04	Bloomberg
Consumer Price Index PR (%)	-	-	-	-	3.30%	-	-	-	Dec-03	GDB
Gross Domestic Product Growth US (%)	3.10%	-	-	-	3.70%	-	-	-	Dec-04	Bloomberg
Gross National Product Growth PR (%)	-	-	-	-	1.90%	-	-	-	Dec-03	GDB
Housing Starts (%)	10.90%	-	-	-	-3.00%	-	-	-	Dec-04	Bloomberg
Personal Income (%)	3.70%	0.20%	0.50%	0.00%	8.60%	-	-	-	Dec-04	Bloomberg
Expenditures (%)	0.80%	0.30%	0.60%	0.00%	6.40%	-	-	-	Dec-04	Bloomberg
Personal Consumption Expenses Deflator (%)	-	-	-	-	1.50%	1.50%	1.50%	1.40%	Dec-04	Bloomberg
Advance Retail (%)	1.20%	-0.10%	0.50%	-0.60%	8.70%	-	-	-	Dec-04	Bloomberg
Non Farm Payroll US (Employees)	157	200	300	135	2,231	-	-	-	Dec-04	Bloomberg
Leading Indicators (%)	0.20%	0.10%	0.30%	-0.10%	1.00%	-	-	-	Dec-04	Bloomberg
	Actual	Consensus	Range							
	Level	Level	High	Low						
Personal Income Level (\$ in billions)	\$10,179	-	-	-					Dec-04	Bloomberg
Expenditures Level (\$ in billions)	\$8,483	-	-	-					Dec-04	Bloomberg
Advance Retail Level (\$ in billions)	\$349	-	-	-					Dec-04	Bloomberg
Unemployment US Level	5.40%	5.42%	5.50%	5.30%					Dec-04	Bloomberg
Unemployment PR Level	9.40%	-	-	-					Sep-04	GDB
Empire Manufacturing Survey Level	27.07	21.01	30	12					Dec-04	Bloomberg
Leading Indicators Level	115.4	-	-	-					Dec-04	Bloomberg
Consumer Sentiment Level	97.1	96.02	98	94.5					Dec-04	Bloomberg
	Market									
	Yield									
	as of									
	12/31/04									
30 Day Libor	2.40%								Dec-04	Bloomberg
60 Day Libor	2.49%								Dec-04	Bloomberg
90 Day Libor	2.56%								Dec-04	Bloomberg
2 Year Treasury	3.08%								Dec-04	Bloomberg
3 Year Treasury	3.25%								Dec-04	Bloomberg
5 Year Treasury	3.63%								Dec-04	Bloomberg
10 Year Treasury	4.24%								Dec-04	Bloomberg
30 Year Treasury	4.83%								Dec-04	Bloomberg
Fed Funds Rate	2.25%								Dec-04	Bloomberg
Gross National Product Growth PR Composition by sector: (2003)										
Manufacturing	42.1%								Dec-03	GDB
Finance, insurance and real estate	17.1%								Dec-03	GDB
Trade	11.6%								Dec-03	GDB
Services	9.9%								Dec-03	GDB
Government	9.6%								Dec-03	GDB
Transportation and other public utilities	6.9%								Dec-03	GDB
Construction and Mining	2.4%								Dec-03	GDB
Agriculture	0.3%								Dec-03	GDB

(1) Month-on-month ("MoM")

(2) Year-on-Year ("YoY")

(3) The "Consensus" columns on the above tables represent the Bloomberg News Survey expected average.

(4) For the Gross Domestic Product Growth US instead than MoM the amounts showed above are quarter-on-quarter ("QoQ")

DORAL FINANCIAL CORPORATION
AVERAGE BALANCE SHEET, INTEREST YIELD AND VARIANCE ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003
(DOLLARS IN THOUSANDS)

PART I INTEREST YIELD ANALYSIS

	2004			2003		
	AVERAGE BALANCE	INTEREST	AVERAGE YIELD/RATE	AVERAGE BALANCE	INTEREST	AVERAGE YIELD/RATE
ASSETS:						
Interest-earning assets:						
Total loans (1)	\$ 3,372,974	\$ 234,423	6.95%	\$ 3,252,276	\$ 219,916	6.76%
Mortgage-backed securities	2,318,854	100,808	4.35	1,263,282	68,864	5.45
Interest-only strips	771,133	55,568	7.21	454,612	37,007	8.14
Investment securities	3,770,157	156,571	4.15	2,375,983	113,430	4.77
Money market investments (2)	1,699,361	23,477	1.38	1,267,736	13,353	1.05
Total interest-earning assets/interest income	11,932,479	\$ 570,847	4.78%	8,613,889	\$ 452,570	5.25%
Total non-interest earning assets	799,313			674,078		
Total assets	\$ 12,731,792			\$ 9,287,967		
LIABILITIES AND STOCKHOLDERS' EQUITY:						
Interest-bearing liabilities:						
Deposits	\$ 3,239,996	\$ 80,683	2.49%	\$ 2,651,633	\$ 75,060	2.83%
Repurchase agreements	4,805,381	120,635	2.51	2,999,339	90,514	3.02
Advances from FHLB	1,254,202	49,842	3.97	1,250,034	49,164	3.93
Loans payable	225,738	6,006	2.66	243,111	6,112	2.51
Notes payable	799,396	47,783	5.98	621,278	50,240	8.09
Total interest-bearing liabilities/interest expense	10,324,713	\$ 304,949	2.95%	7,765,395	\$ 271,090	3.49%
Total non-interest bearing liabilities	649,889			278,948		
Total liabilities	10,974,602			8,044,343		
Stockholders' equity	1,757,190			1,243,624		
Total liabilities and stockholders' equity	\$ 12,731,792			\$ 9,287,967		
Net interest-earning assets	\$ 1,607,766			\$ 848,494		
Net interest income on a non-taxable equivalent basis		\$ 265,898			\$ 181,480	
Interest rate spread (3)			1.83%			1.76%
Interest rate margin (4)			2.23%			2.11%
Net interest-earning assets ratio			115.57%			110.93%

PART II NET INTEREST INCOME VARIANCE ANALYSIS (5)

	2004 COMPARED TO 2003			
	INCREASE (DECREASE) DUE TO:			BASIS POINTS
	VOLUME	RATE	TOTAL	CHANGE
Interest-earning assets:				
Total loans (1)	\$ 8,159	\$ 6,348	\$ 14,507	19
Mortgage-backed securities	57,529	(25,585)	31,944	(110)
Interest-only strips	25,765	(7,204)	18,561	(93)
Investment securities	66,502	(23,361)	43,141	(62)
Money market investments (2)	4,532	5,592	10,124	33
Total interest income variance	162,487	(44,210)	118,277	(47)
Interest-bearing liabilities:				
Deposits	\$ 16,651	\$ (11,028)	\$ 5,623	(34)
Repurchase agreements	54,542	(24,421)	30,121	(51)
Advances from FHLB	164	514	678	4
Loans payable	(436)	330	(106)	15
Notes payable	14,410	(16,867)	(2,457)	(211)
Total interest expense variance	85,331	(51,472)	33,859	(54)
Net interest-earning assets	\$ 77,156	\$ 7,262	\$ 84,418	7

(1) Average loan balances include the average balance of non-accruing loans, on which interest income is recognized when collected.

(2) Includes FHLB stock.

(3) Interest rate spread represents the difference between Doral Financial's weighted average yield on interest-earning assets and the weighted average rate on interest-bearing liabilities.

(4) Interest rate margin represents net interest income on annualized basis as a percentage of average interest-earning assets.

(5) This table describes the extent to which changes in interest rates and changes in volume of interest-earning assets and interest-bearing liabilities have affected Doral Financial's interest income and interest expense during the periods indicated. For each category of interest-earning assets and interest-bearing liabilities, information is provided on changes attributable to (i) changes in volume (change in volume multiplied by prior year rate), (ii) changes in rate (change in rate multiplied by current year volume), and (iii) total change in rate and volume. The combined effect of changes in both rate and volume has been allocated in proportion to the absolute dollar amounts of the changes due to rate and volume.

DORAL FINANCIAL CORPORATION
SUBSIDIARIES SUPPORT SERVICE AND RENT CHARGES ALLOCATION
FOR THE YEAR ENDED DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

SUBSIDIARY	INCOME BEFORE ALLOCATIONS	(1) SUPPORT SERVICE CHARGED BY DFC	(2) BASIC RENT CHARGED BY DP	(3) ADD. RENT CHARGED BY DP	(4) RENT CHARGED BY DB	(5) OTHER RENT CHARGED BY DB	(6) RENT CHARGED BY DFC	(7) RENT CHARGED BY DMC	NET INCOME REPORTED
Doral Financial (8)	\$ 260,836	\$ 20,477	\$ (4,326)	\$ (2,589)	\$ (504)	\$ (465)	\$ 398	\$ -	\$ 273,827
Doral Mortgage	9,822	(6,109)	(1,256)	(661)	-	(664)	-	22	1,154
SANA Mortgage	3,514	(906)	-	-	-	(100)	-	-	2,508
Centro Hipotecario	3,214	(808)	-	-	-	(39)	-	-	2,367
Doral Bank-PR	98,853	(10,318)	(1,377)	(516)	571	1,268	(398)	(22)	88,061
Doral Bank-NY	1,480	-	-	-	-	-	-	-	1,480
Doral Money	1,022	(341)	-	-	-	-	-	-	681
Doral Securities	4,828	(293)	(110)	(59)	-	-	-	-	4,366
Doral International	94,923	(666)	-	-	-	-	-	-	94,257
Doral Properties	(10,263)	(651)	7,069	3,851	-	-	-	-	6
Doral Insurance	11,410	(385)	-	(26)	(67)	-	-	-	10,932
Subtotals	479,639	-	-	-	-	-	-	-	479,639
I/Co Eliminations	9,986	-	-	-	-	-	-	-	9,986
Net Income Consolidated	\$ 489,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 489,625

(1) Support Service Charges represent management, back office and other administrative functions done by Doral Financial on behalf of its subsidiaries. These functions include, but are not limited to the following departments: Accounting, Human Resources, Information Technology, Legal/Compliance, Internal Audit, Treasury and Executive Offices. The charges allocated include among others: compensation and related benefits, payroll taxes, pension plan, medical insurance, maintenance, depreciation, telephone, rent and other direct expenses.

(2) Rent charged by Doral Properties for leases at Doral Financial Plaza.

(3) Excess of expenses over revenues from Doral Financial Plaza operations charged by Doral Properties as additional rent.

(4) Rent charged by Doral Bank-PR to affiliates for sub-leases at Doral Financial Plaza.

(5) Rent charged by Doral Bank-PR to affiliates for branches at Doral Bank-PR facilities.

(6) Rent charged by Doral Financial to Doral Bank-PR for HF Mortgage Plaza (formerly Doral Bank Plaza) up to September 30, 2004.

(7) Rent charged by Doral Mortgage to Doral Bank-PR for sub-leases at Doral Financial Plaza.

(8) Includes Doral Overseas up to March 31, 2004.

DORAL FINANCIAL CORPORATION
 SEGMENT INFORMATION
 FOR THE QUARTERS ENDED DECEMBER 31, 2004 AND 2003
 (DOLLARS IN THOUSANDS)

December 31, 2004

	<u>MORTGAGE BANKING</u>	<u>BANKING</u>	<u>INSTITUTIONAL SECURITIES</u>	<u>INSURANCE AGENCY</u>	<u>INTERSEGMENT ELIMINATIONS</u>	<u>TOTAL</u>
Net interest income	\$ 17,564	49,781	780	1,303	917	\$ 70,345
Non-interest income	\$ 58,177	16,701	1,029	2,606	(378)	\$ 78,135
Net income	\$ 111,148	36,743	923	2,661	(961)	\$ 150,514
Contribution to net income (%)	73.85%	24.41%	0.61%	1.77%	-0.64%	100.00%

December 31, 2003

	<u>MORTGAGE BANKING</u>	<u>BANKING</u>	<u>INSTITUTIONAL SECURITIES</u>	<u>INSURANCE AGENCY</u>	<u>INTERSEGMENT ELIMINATIONS</u>	<u>TOTAL</u>
Net interest income	\$ 14,904	38,835	1,004	582	2,039	\$ 57,364
Non-interest income	\$ 93,327	17,417	531	2,091	(3,114)	\$ 110,252
Net income	\$ 64,218	28,383	778	1,644	(369)	\$ 94,654
Contribution to net income (%)	67.84%	29.99%	0.82%	1.74%	-0.39%	100.00%

Note: The "intersegment eliminations" in the above tables, include direct intersegment loan origination costs amortized as yield adjustment (mainly related with origination costs paid by the banking segment to the mortgage banking segment) and other income derived from intercompany transactions, related principally to fees and commissions paid to the Company's institutional securities subsidiary and rental income paid to Doral Properties, the Company's subsidiary that owns the corporate headquarters facilities.

DORAL FINANCIAL CORPORATION
 SEGMENT INFORMATION (CONT.)
 FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003
 (DOLLARS IN THOUSANDS)

December 31, 2004

	MORTGAGE BANKING	BANKING	INSTITUTIONAL SECURITIES	INSURANCE AGENCY	INTERSEGMENT ELIMINATIONS	TOTAL
Net interest income	\$ 70,227	177,417	3,439	5,269	9,546	\$ 265,898
Non-interest income	\$ 309,240	133,036	4,394	10,603	(6,889)	\$ 450,384
Net income	\$ 290,269	184,661	4,366	10,932	(603)	\$ 489,625
Contribution to net income (%)	59.28%	37.71%	0.89%	2.23%	-0.11%	100.00%
Identifiable assets	\$ 3,555,409	11,741,350	155,612	93,460	(443,430)	\$ 15,102,401
Identifiable assets (%)	23.54%	77.74%	1.03%	0.61%	-2.92%	100.00%

December 31, 2003

	MORTGAGE BANKING	BANKING	INSTITUTIONAL SECURITIES	INSURANCE AGENCY	INTERSEGMENT ELIMINATIONS	TOTAL
Net interest income	\$ 50,040	118,015	3,601	2,037	7,787	\$ 181,480
Non-interest income	\$ 306,968	103,523	7,784	7,931	(14,434)	\$ 411,772
Net income	\$ 192,515	121,369	5,551	6,058	(4,194)	\$ 321,299
Contribution to net income (%)	59.92%	37.77%	1.73%	1.89%	-1.31%	100.00%
Identifiable assets	\$ 3,336,222	7,186,605	160,717	48,611	(338,159)	\$ 10,393,996
Identifiable assets (%)	32.09%	69.14%	1.55%	0.47%	-3.25%	100.00%

Note: The "intersegment eliminations" in the above tables, include direct intersegment loan origination costs amortized as yield adjustment (mainly related with origination costs paid by the banking segment to the mortgage banking segment) and other income derived from intercompany transactions, related principally to fees and commissions paid to the Company's institutional securities subsidiary and rental income paid to Doral Properties, the Company's subsidiary that owns the corporate headquarters facilities. During the year ended December 31, 2004, the intersegment eliminations for net income also include realized losses recognized by the mortgage banking segment on sale of investment securities to the banking segment. Assets include internal funding and investment in subsidiaries accounted for at cost.

DORAL FINANCIAL CORPORATION
 SEGMENT INFORMATION (CONT.)
 NON-INTEREST INCOME DETAIL
 FOR THE QUARTERS ENDED DECEMBER 31, 2004 AND 2003
 (DOLLARS IN THOUSANDS)

December 31, 2004

	MORTGAGE BANKING	BANKING	INSTITUTIONAL SECURITIES	INSURANCE AGENCY	INTERSEGMENT ELIMINATIONS	TOTAL
Non-interest income:						
Net gain on mortgage loan sales and fees	\$ 147,550	\$ 16,917	\$ -	\$ -	\$ 1,373	\$ 165,840
Trading (loss) income	(90,269)	(6,752)	144	(400)	526	(96,751)
(Loss) gain on sale of investment securities	(1,016)	2,358	-	-	(1)	1,341
Servicing income (loss)	629	(4)	-	-	(1,004)	(379)
Commissions, fees and other income	1,283	4,182	885	3,006	(1,272)	8,084
Total non-interest income	<u>\$ 58,177</u>	<u>\$ 16,701</u>	<u>\$ 1,029</u>	<u>\$ 2,606</u>	<u>\$ (378)</u>	<u>\$ 78,135</u>

December 31, 2003

	MORTGAGE BANKING	BANKING	INSTITUTIONAL SECURITIES	INSURANCE AGENCY	INTERSEGMENT ELIMINATIONS	TOTAL
Non-interest income:						
Net gain on mortgage loan sales and fees	\$ 107,127	\$ 10,981	\$ -	\$ -	\$ (2,052)	\$ 116,056
Trading (loss) income	(12,501)	1,994	(111)	(83)	958	(9,743)
Gain on sale of investment securities	570	1,181	-	-	(1)	1,750
Servicing loss	(2,525)	(22)	-	-	(1,041)	(3,588)
Commissions, fees and other income	656	3,283	642	2,174	(978)	5,777
Total non-interest income	<u>\$ 93,327</u>	<u>\$ 17,417</u>	<u>\$ 531</u>	<u>\$ 2,091</u>	<u>\$ (3,114)</u>	<u>\$ 110,252</u>

DORAL FINANCIAL CORPORATION
SEGMENT INFORMATION (CONT.)
NON-INTEREST INCOME DETAIL
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003
(DOLLARS IN THOUSANDS)

December 31, 2004

	<u>MORTGAGE BANKING</u>	<u>BANKING</u>	<u>INSTITUTIONAL SECURITIES</u>	<u>INSURANCE AGENCY</u>	<u>INTERSEGMENT ELIMINATIONS</u>	<u>TOTAL</u>
Non-interest income:						
Net gain on mortgage loan sales and fees	\$ 476,302	\$ 124,936	\$ -	\$ -	\$ (2,476)	\$ 598,762
Trading (loss) income	(175,908)	(26,278)	500	(1,552)	2,631	(200,607)
(Loss) gain on sale of investment securities	(7,431)	15,772	-	-	2,209	10,550
Servicing income	8,879	214	-	-	(4,200)	4,893
Commissions, fees and other income	7,398	18,392	3,894	12,155	(5,053)	36,786
Total non-interest income	<u>\$ 309,240</u>	<u>\$ 133,036</u>	<u>\$ 4,394</u>	<u>\$ 10,603</u>	<u>\$ (6,889)</u>	<u>\$ 450,384</u>

December 31, 2003

	<u>MORTGAGE BANKING</u>	<u>BANKING</u>	<u>INSTITUTIONAL SECURITIES</u>	<u>INSURANCE AGENCY</u>	<u>INTERSEGMENT ELIMINATIONS</u>	<u>TOTAL</u>
Non-interest income:						
Net gain on mortgage loan sales and fees	\$ 348,983	\$ 48,350	\$ -	\$ -	\$ (7,252)	\$ 390,081
Trading (loss) income	(46,019)	48,041	2,420	(63)	1,212	5,591
Gain (loss) on sale of investment securities	11,683	(6,265)	-	-	29	5,447
Servicing loss	(10,082)	(1,399)	-	-	(3,636)	(15,117)
Commissions, fees and other income	2,403	14,796	5,364	7,994	(4,787)	25,770
Total non-interest income	<u>\$ 306,968</u>	<u>\$ 103,523</u>	<u>\$ 7,784</u>	<u>\$ 7,931</u>	<u>\$ (14,434)</u>	<u>\$ 411,772</u>

DORAL FINANCIAL CORPORATION
CONDENSED FINANCIAL INFORMATION BANKING SUBSIDIARIES
FOR THE QUARTERS ENDED DECEMBER 31, 2004 AND 2003
(DOLLARS IN THOUSANDS)

December 31, 2004

	DBPR (1)	DBNY	INTERBANKING ELIMINATIONS	BANKING SEGMENT
Net interest income	\$ 46,212	3,448	121	\$ 49,781
Non-interest income	\$ 16,782	68	(149)	\$ 16,701
Net income	\$ 36,343	388	12	\$ 36,743
Contribution to net income (%)	98.91%	1.06%	0.03%	100.00%

December 31, 2003

	DBPR (1)	DBNY	INTERBANKING ELIMINATIONS	BANKING SEGMENT
Net interest income	\$ 36,510	2,268	57	\$ 38,835
Non-interest income	\$ 16,645	838	(66)	\$ 17,417
Net income	\$ 27,278	1,071	34	\$ 28,383
Contribution to net income (%)	96.11%	3.77%	0.12%	100.00%

(1) DBPR consolidated (includes Doral Money and Doral International)

DORAL FINANCIAL CORPORATION

CONDENSED FINANCIAL INFORMATION BANKING SUBSIDIARIES (CONT.)

FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

(DOLLARS IN THOUSANDS)

December 31, 2004

	DBPR (1)	DBNY	INTERBANKING ELIMINATIONS	BANKING SEGMENT
Net interest income	\$ 165,254	11,683	480	\$ 177,417
Non-interest income	\$ 131,304	2,141	(409)	\$ 133,036
Net income	\$ 182,951	1,480	230	\$ 184,661
Contribution to net income (%)	99.07%	0.80%	0.12%	100.00%
Identifiable assets	\$ 11,189,511	562,304	(10,465)	\$ 11,741,350
Identifiable assets (%)	95.30%	4.79%	-0.09%	100.00%
Deposits (2)	\$ 3,365,431	385,760	(10,391)	\$ 3,740,800
Total capital	\$ 552,217	47,428	(73)	\$ 599,572

December 31, 2003

	DBPR (1)	DBNY	INTERBANKING ELIMINATIONS	BANKING SEGMENT
Net interest income	\$ 109,826	7,912	277	\$ 118,015
Non-interest income	\$ 98,012	6,123	(612)	\$ 103,523
Net income	\$ 118,967	2,563	(161)	\$ 121,369
Contribution to net income (%)	98.02%	2.11%	-0.13%	100.00%
Identifiable assets	\$ 6,720,029	507,475	(40,899)	\$ 7,186,605
Identifiable assets (%)	93.51%	7.06%	-0.57%	100.00%
Deposits (2)	\$ 2,730,368	333,869	(40,264)	\$ 3,023,973
Total capital	\$ 399,753	46,050	(147)	\$ 445,656

(1) DBPR consolidated (includes Doral Money and Doral International)

(2) Doral Financial total consolidated deposits:

December 2004 = \$3,643,080December 2003 = \$2,971,272

DORAL FINANCIAL CORPORATION**CONDENSED FINANCIAL INFORMATION INTERNATIONAL BANKING ENTITIES****FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003****(DOLLARS IN THOUSANDS)**December 31, 2004

	DORAL INTERNATIONAL	DORAL OVERSEAS (1)	TOTAL
Net interest income	\$ 92,018	641	\$ 92,659
Non-interest income	\$ 3,504	804	\$ 4,308
Net income	\$ 94,257	1,172	\$ 95,429
Contribution to net income (%)	98.77%	1.23%	100.00%
Identifiable assets	\$ 5,549,594	-	\$ 5,549,594

December 31, 2003

	DORAL INTERNATIONAL	DORAL OVERSEAS	TOTAL
Net interest income	\$ 43,946	5,487	\$ 49,433
Non-interest income	\$ 46,485	28,790	\$ 75,275
Net income	\$ 89,552	33,008	\$ 122,560
Contribution to net income (%)	73.07%	26.93%	100.00%
Identifiable assets	\$ 1,907,613	480,457	\$ 2,388,070

- (1) Effective March 31, 2004, Doral Overseas operations were discontinued. It's securities portfolio was transferred to Doral International and the remaining assets were merged into Doral Financial Corporation- Parent Company.

DORAL FINANCIAL CORPORATION
LIQUIDITY AND COLLATERAL AVAILABLE BY OPERATING SEGMENT
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

DESCRIPTION	MORTGAGE BANKING	BANKING	INSTITUTIONAL SECURITIES	INSURANCE AGENCY	INTERSEGMENT ELIMINATIONS	TOTAL
Cash	\$ 3,125	\$ 69,582	\$ 531	\$ 206	\$ (8,504)	\$ 64,940
Unpledged assets:						
Money market investments	393,732	1,283,325	58,677	-	(78,686)	1,657,048
Securities (1) (2):						
Mortgage-backed	35,828	125,276	6,647	29,465	5,145	202,361
US Government & Agencies	306,950	65,268	10,469	-	-	382,687
Other	-	75	22	-	-	97
Loans	65,115	56,155	-	-	-	121,270
	<u>\$ 804,750</u>	<u>\$ 1,599,681</u>	<u>\$ 76,346</u>	<u>\$ 29,671</u>	<u>\$ (82,045)</u>	<u>\$ 2,428,403</u>

UNSECURED CREDIT LINES AVAILABLE

First Bank	\$ 50,000
Deutsche Bank	55,000
	<u>\$ 105,000</u>

(1) Securities Held-to-Maturity were considered at fair market value.

(2) Unpledged securities were reduced by their respective amounts on "accounts payable from investment purchases".

DORAL FINANCIAL CORPORATION
SECURITIES PORTFOLIO
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	TRADING SECURITIES	AVAILABLE- FOR-SALE	HELD-TO- MATURITY	TOTAL	TOTAL PORTFOLIO AS OF NOVEMBER 30, 2004
Mortgage-backed:					
GNMA Exempt	\$ 266,380	\$ -	\$ 2,450	\$ 268,830	\$ 271,855
GNMA Taxable	50,974	2,935,910	4,415	2,991,299	2,763,528
CMO Certificates Exempt	2,185	-	17,052	19,237	20,319
CMO Certificates Taxable	2,114	-	8,826	10,940	13,133
FHLMC and FNMA	18,286	389,357	437,426	845,069	866,840
Debt Securities:					
FNMA Notes	-	-	49,988	49,988	49,988
FHLMC Notes	-	-	100,000	100,000	100,000
Federal Home Loan Bank Notes:					
3 years	-	-	100,000	100,000	100,000
6 years	5,025	-	-	5,025	5,000
10 years	-	-	50,000	50,000	50,000
15 years	-	114,206	218,587	332,793	331,992
20 years	-	-	180,000	180,000	180,000
FHLMC Zero Coupon - Callable	-	-	282,947	282,947	281,536
FHLB Zero Coupon - Callable	-	-	167,361	167,361	223,614
PR Housing Bank	-	-	7,235	7,235	7,235
US Treasury Notes:					
2 years	-	393,375	-	393,375	393,179
3 years	-	98,281	-	98,281	98,219
10 years	-	835,223	201,484	1,036,707	1,027,906
US Treasury Bonds (30 years)	-	216,156	473,689	689,845	684,644
IOs	878,732	-	-	878,732	914,535
Derivative Instruments	12,183	-	-	12,183	13,305
Interest Rate Swaps	2,198	-	-	2,198	4,383
Other	5,466	-	15,320	20,786	20,787
Total	\$ 1,243,543	\$ 4,982,508	\$ 2,316,780	\$ 8,542,831	\$ 8,421,998
Fair Market Value			2,253,693		
Unrealized Loss			\$ (63,087)		

Note: Securities Held-to-Maturity are presented at amortized cost. Doral Financial has other derivative instruments and swap agreements with an aggregate negative fair market value of \$8.0 million and \$4.9 million for December 31, 2004 and November 30, 2004, respectively, which are recognized as "trading liabilities" and presented as part of "accrued expenses and other liabilities" and "accounts payable from investment purchases" on the consolidated statements of financial condition.

DORAL FINANCIAL CORPORATION
INVESTMENT SECURITIES PORTFOLIO AS PER FIRST MANHATTAN GROUP FORMAT
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	<u>FAIR MARKET VALUE</u>
Trading securities	
IOs	\$ 878,732
Mortgage-backed:	
GNMA Exempt	266,380
GNMA Taxable	50,974
FHLMC and FNMA	18,286
Debt Securities:	
Federal Home Loan Bank Notes	5,025
Total trading securities (1)	<u>\$ 1,219,397</u>
Available-for-sale securities	
Mortgage-backed:	
GNMA Taxable	\$ 2,935,910
FHLMC and FNMA	389,357
Debt Securities:	
Federal Home Loan Bank Notes	114,206
US Treasury Notes and Bonds	1,543,035
Total available-for-sale securities	<u>\$ 4,982,508</u>
Total trading & available-for-sale securities	<u><u>\$ 6,201,905</u></u>

(1) Excludes CMOs, derivatives, interest rate swaps and other securities recognized as "trading securities" on the consolidated statements of financial condition.

DORAL FINANCIAL CORPORATION
ACTIVITY OF SECURITIES PORTFOLIO
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

TRADING SECURITIES								
	GNMA	FNMA / FHLMC	IOs	TREASURY NOTES	TREASURY BOND	FHLB NOTES	OTHER SECURITIES	TOTAL
Balance at beginning of month	\$ 335,841	\$ 27,096	\$ 914,535	\$ -	\$ -	\$ 5,000	\$ 29,007	\$ 1,311,479
Add:								
Pools issued	38,046	6,328	-	-	-	-	-	44,374
Pools purchased - DFC	-	-	-	-	-	-	-	-
Pools purchased - DB	-	264,234	-	-	-	-	-	264,234
Pools purchased - DBFSB	-	-	-	-	-	-	-	-
Pools purchased - DS	3,934	803	-	-	-	9,990	1,108	15,835
Reclass from	-	-	-	-	-	-	-	-
Less:								
Pools sold - DFC	(21,782)	(3,435)	-	-	-	-	-	(25,217)
Pools sold - DB	-	(264,234)	-	-	-	-	-	(264,234)
Pools sold - DBFSB	-	-	-	-	-	-	-	-
Pools sold - DS	(32,376)	(11,824)	-	-	-	(9,990)	(1,108)	(55,298)
Matured securities	-	-	-	-	-	-	-	-
Reclass to	-	-	-	-	-	-	-	-
Add:								
IOs on loan sales (1)	-	-	70,820	-	-	-	-	70,820
Purchase of IOs	-	-	-	-	-	-	-	-
Less:								
Sales of IOs	-	-	-	-	-	-	-	-
Add/less								
Fair value of new derivatives	-	-	-	-	-	-	8,457	8,457
Derivatives realized and/or settled	-	-	-	-	-	-	(2,545)	(2,545)
Reclass from / to trading liabilities	-	-	-	-	-	-	2,198	2,198
SFAS 115	(438)	(195)	(97,478)	-	-	25	(11,446)	(109,532)
Less: Amortization and prepayments	(5,871)	(487)	(9,145)	-	-	-	(1,525)	(17,028)
Balance at December 31, 2004	\$ 317,354	\$ 18,286	\$ 878,732	\$ -	\$ -	\$ 5,025	\$ 24,146	\$ 1,243,543
Balance at beginning of year	\$ 313,843	\$ 26,063	\$ 578,124	\$ -	\$ -	\$ -	\$ 26,120	\$ 944,150
Add:								
Pools issued	411,083	713,194	-	-	-	-	-	1,124,277
Pools purchased - DFC	148,198	55,000	-	551,443	215,008	-	-	969,649
Pools purchased - DB	-	806,418	-	429,901	-	-	-	1,236,319
Pools purchased - DS	10,892	183,865	-	4,977	-	646,587	91,106	937,427
Reclass from	612,864	-	-	75,936	216,884	-	-	905,684
Less:								
Pools sold - DFC	(333,121)	(139,422)	-	(551,443)	(215,008)	-	-	(1,238,994)
Pools sold - DB	(477,898)	(1,016,469)	-	(505,837)	(216,884)	-	-	(2,217,088)
Pools sold - DS	(217,398)	(607,030)	-	(4,977)	-	(641,587)	(90,794)	(1,561,786)
Matured securities	-	-	-	-	-	-	(999)	(999)
Reclass to	(90,444)	-	-	-	-	-	-	(90,444)
Add:								
IOs on loan sales (1)	-	-	509,349	-	-	-	-	509,349
Purchase of IOs	-	-	23,816	-	-	-	-	23,816
Less:								
Sales of IOs	-	-	-	-	-	-	-	-
Add/less								
Fair value of new derivatives	-	-	-	-	-	-	118,578	118,578
Derivatives realized and/or settled	-	-	-	-	-	-	(127,265)	(127,265)
Reclass from / to trading liabilities	-	-	-	-	-	-	3,820	3,820
SFAS 115	(1,378)	(274)	(131,007)	-	-	25	5,668	(126,966)
Less: Amortization and prepayments	(59,287)	(3,059)	(101,550)	-	-	-	(2,088)	(165,984)
Balance at December 31, 2004	\$ 317,354	\$ 18,286	\$ 878,732	\$ -	\$ -	\$ 5,025	\$ 24,146	\$ 1,243,543

(1) Net of \$2.3 million and \$10.3 million, approximately, for the one month and year ended December 31, 2004 of IOs reversed due to repurchase of delinquent loans previously capitalized.

DORAL FINANCIAL CORPORATION
ACTIVITY OF SECURITIES PORTFOLIO (CONT.)
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

AVAILABLE-FOR-SALE						
	GNMA	FNMA / FHLMC	TREASURY NOTES	TREASURY BONDS	FHLB NOTES	TOTAL
Balance at beginning of month	\$ 2,692,603	\$ 394,994	\$ 1,317,805	\$ 210,750	\$ 113,407	\$ 4,729,559
Add: Pools issued	-	210,371	-	-	-	210,371
Pools purchased - DFC	-	-	-	-	-	-
Pools purchased - DB	315,218	-	-	-	-	315,218
Pools purchased - DBFSB	-	-	-	-	-	-
Reclass	-	-	-	-	-	-
Less: Pools sold - DFC	-	-	-	-	-	-
Pools sold - DB	-	(210,371)	-	-	-	(210,371)
Pools sold - DBFSB	-	-	-	-	-	-
Pools called - DFC	-	-	-	-	-	-
Pools called - DB	-	-	-	-	-	-
Pools called - DBFSB	-	-	-	-	-	-
Matured securities	-	-	-	-	-	-
Reclass	-	-	-	-	-	-
SFAS 115	3,681	1,188	9,220	5,470	798	20,357
Less: Amortization and prepayments	(75,592)	(6,825)	(146)	(64)	1	(82,626)
Balance at December 31, 2004	\$ 2,935,910	\$ 389,357	\$ 1,326,879	\$ 216,156	\$ 114,206	\$ 4,982,508
Balance beginning of year	\$ 462,908	\$ 525,870	\$ 1,490,750	\$ 260,977	\$ 110,093	\$ 2,850,598
Add: Pools issued	-	1,671,544	-	-	-	1,671,544
Pools purchased - DFC	32,918	-	2,357,924	329,602	-	2,720,444
Pools purchased - DB	4,808,517	1,200,837	2,393,286	540,730	-	8,943,370
Pools purchased - DBFSB	104,236	-	-	-	-	104,236
Reclass	-	-	-	-	-	-
Less: Pools sold - DFC	-	-	(2,772,771)	(218,441)	-	(2,991,212)
Pools sold - DB	(1,541,762)	(2,910,932)	(2,016,257)	(486,462)	-	(6,955,413)
Pools sold - DBFSB	(26,229)	(15,432)	(49,840)	-	-	(91,501)
Pools called - DFC	-	-	-	-	-	-
Pools called - DB	-	-	-	-	-	-
Pools called - DBFSB	-	-	-	-	-	-
Matured securities	-	-	-	-	-	-
Reclass	(522,420)	-	(75,936)	(216,884)	-	(815,240)
SFAS 115	(5,850)	3,858	(6,132)	7,274	4,105	3,255
Less: Amortization and prepayments	(376,408)	(86,388)	5,855	(640)	8	(457,573)
Balance at December 31, 2004	\$ 2,935,910	\$ 389,357	\$ 1,326,879	\$ 216,156	\$ 114,206	\$ 4,982,508

DORAL FINANCIAL CORPORATION
ACTIVITY OF SECURITIES PORTFOLIO (CONT.)
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	HELD-TO-MATURITY							TOTAL
	GNMA	TREASURY NOTES	TREASURY BONDS	FHLB NOTES	FNMA & FHLMC NOTES	ZERO COUPON	OTHER SECURITIES	
Balance at beginning of month	\$ 6,939	\$ 201,499	\$ 473,894	\$ 548,585	\$ 149,988	\$ 505,150	\$ 494,905	\$ 2,380,960
Add: Pools issued	-	-	-	-	-	-	-	-
Pools purchased - DFC	-	-	-	-	-	-	-	-
Pools purchased - DB	-	-	-	-	-	-	-	-
Pools purchased - DBFSB	-	-	-	-	-	-	-	-
Reclass	-	-	-	-	-	-	-	-
Less: Pools sold - DFC	-	-	-	-	-	-	-	-
Pools sold - DB	-	-	-	-	-	-	-	-
Pools sold - DBFSB	-	-	-	-	-	-	-	-
Pools called - DFC	-	-	-	-	-	-	-	-
Pools called - DB	-	-	-	-	-	(57,661)	-	(57,661)
Pools called - DBFSB	-	-	-	-	-	-	-	-
Matured securities	-	-	-	-	-	-	-	-
Reclass	-	-	-	-	-	-	-	-
Less: Amortization and prepayments	(74)	(15)	(205)	2	-	2,819	(9,046)	(6,519)
Balance at December 31, 2004	\$ 6,865	\$ 201,484	\$ 473,689	\$ 548,587	\$ 149,988	\$ 450,308	\$ 485,859	\$ 2,316,780
Balance at beginning of year	\$ 9,590	\$ 201,661	\$ 476,167	\$ 567,960	\$ -	\$ 322,540	\$ 62,991	\$ 1,640,909
Add: Pools issued	-	-	-	-	-	-	418,574	418,574
Pools purchased - DFC	-	-	-	-	-	-	-	-
Pools purchased - DB	-	-	-	224,945	99,988	235,648	53,458	614,039
Pools purchased - DBFSB	-	-	-	-	50,000	-	-	50,000
Reclass	-	-	-	-	-	-	-	-
Less: Pools sold - DFC	-	-	-	-	-	-	-	-
Pools sold - DB	-	-	-	-	-	-	-	-
Pools sold - DBFSB	-	-	-	-	-	-	-	-
Pools called - DFC	-	-	-	-	-	-	-	-
Pools called - DB	-	-	-	(244,365)	-	(136,789)	-	(381,154)
Pools called - DBFSB	-	-	-	-	-	-	-	-
Matured securities	-	-	-	-	-	-	-	-
Reclass	-	-	-	-	-	-	-	-
Less: Amortization and prepayments	(2,725)	(177)	(2,478)	47	-	28,909	(49,164)	(25,588)
Balance at December 31, 2004	\$ 6,865	\$ 201,484	\$ 473,689	\$ 548,587	\$ 149,988	\$ 450,308	\$ 485,859	\$ 2,316,780

DORAL FINANCIAL CORPORATION

HEDGING LOSS LIMIT
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	POLICY
I. Lesser of A and B:	
Limit A:	
Realized losses from hedging transactions	\$ (112,633)
Derivatives valuation adjustment	14,748
Total net hedging loss (Year-to-Date)	\$ (97,885)
Consolidated stockholders' equity - As of preceding month end	\$ 1,930,066
Hedge loss to capital ratio	5.07%
Limit	15.00%
Maximum hedging loss under limit A	\$ (289,510)
Allowable future hedging loss under limit A	\$ (191,625)
Limit B:	
Total net hedging loss (Year-to-Date)	\$ (97,885)
Trading securities valuation adjustment (Year-to-Date)	(127,622)
Unrealized loss on securities available-for-sale	(79,935)
Realized net gains from the sale of trading securities (Year-to-Date)	24,900
Net gains from the sale of investment securities (Year-to-Date)	10,550
25% of net gains on mortgage loan sales and fees (Year-to-Date)	149,691
25% of net interest income after provision for loan losses (Year-to-Date)	65,098
Net hedging loss (Stockholders' Policy)	\$ (55,203)
Consolidated stockholders' equity - As of preceding month end	\$ 1,930,066
Hedge loss to capital ratio	2.86%
Limit	4.00%
Maximum net hedging loss under limit B	\$ (77,203)
Allowable future net hedging loss under limit B	\$ (22,000)
II. Maximum allowable net hedging loss (lesser of limits A and B)*	\$ (22,000)

*(Compliance with both limits)

DORAL FINANCIAL CORPORATION
REPORT OF OPEN POSITIONS BY HEDGING PURPOSE
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

TYPE OF CONTRACT	NUMBER OF CONTRACTS		OPTION PREMIUM	FAIR VALUE	UNREALIZED (LOSS) GAIN
	LONG	SHORT			
Hedges to Protect Investments vs Lower Market Prices:					
Exchange Traded Options:					
Spread Trades:					
T. Note Options -Spread	8,000	7,200	\$ 1,948	\$ 1,423	\$ (525)
T. Bond Options -Spread	1,000	1,000	188	172	(16)
Outright Trades:					
5 Yr. T. Note Options	1,500	-	273	218	(55)
T. Note Options	19,200	1,500	8,784	3,819	(4,965)
T. Bond Options	3,000	-	2,147	1,078	(1,069)
T. Note Options-Strangle	1,000	-	305	282	(23)
Futures:					
T. Note Futures	-	2,400	-	150	150
T. Bond Futures	-	800	-	(1,700)	(1,700)
Over-the-Counter Options:					
T. Notes -Long Call OTC	200MM		585	7	(578)
T. Notes -Long Put OTC	600MM		9,136	1,358	(7,778)
FNMA -Long Put OTC	260MM		937	344	(593)
GNMA -Long Put OTC	500MM		1,586	25	(1,561)
FNMA -Forward TBA OTC		414MM	-	(713)	(713)
Subtotal			25,889	6,463	(19,426)
Hedges to Protect Funding vs Rising Rates:					
Exchange Traded Options:					
Spread Trades:					
Euro Flex Options -Spread	1,000	1,000	375	-	(375)
Euro Options -Spread	11,100	11,100	429	335	(94)
Outright Trades:					
Euro Flex Options	-	500	(508)	(369)	139
Euro Options	18,100	12,500	(10,349)	(9,406)	943
Euro Futures	-	7,120	-	(2,529)	(2,529)
Subtotal			(10,053)	(11,969)	(1,916)
Floating IO's:					
Interest Rate Collar (2,100MM)			27,188	10,109	(17,079)
Fixed deposits to variable rate:					
Interest Rate Swaps (200MM)			-	(379)	(379)
To reduce duration of equity:					
Interest Rate Swaps (500MM)			-	2,198	2,198
Total			\$ 43,024	\$ 6,422	\$ (36,602)
YTD SUMMARY:					
Unrealized loss at November 30, 2004				\$	(25,184)
Current month unrealized loss					(11,418)
Unrealized loss at December 31, 2004					(36,602)
Less: Unrealized loss at December 31, 2003					(42,588)
					5,986
Adjustment for hedge accounting					8,762
Derivatives valuation adjustment on Statements of Income					14,748
Realized loss on exercised, expired or liquidated positions					(112,633)
Total net hedging loss				\$	(97,885)

DORAL FINANCIAL CORPORATION
CONSOLIDATED LOAN PRODUCTION INFORMATION
(DOLLARS IN THOUSANDS)

TYPE OF LOAN	CURRENT MONTH				YEAR-TO-DATE			
	Dec-04		Dec-03		Dec-04		Dec-03	
	#	AMOUNT	#	AMOUNT	#	AMOUNT	#	AMOUNT
FHA	471	\$ 36,457	289	\$ 26,058	4,190	\$ 338,728	3,006	\$ 261,550
VA	18	1,821	17	2,201	201	25,488	173	22,442
FHLMC / FNMA	318	37,471	352	42,198	4,138	486,912	6,197	737,507
Non-conforming mortgage	1,597	176,318	1,379	188,891	18,482	2,075,358	15,788	1,771,278
Jumbo	66	51,246	68	33,649	836	437,658	839	425,269
Construction - Individual	185	17,442	87	11,352	1,839	176,960	843	119,210
Construction - Development (1)	147	64,980	136	89,579	1,519	766,955	1,360	721,974
Commercial real estate	43	20,959	1	56	525	278,172	68	95,500
Commercial non-real estate	17	1,258	6	1,650	144	13,891	18	11,368
Consumer	1,243	8,140	687	25,881	8,536	62,597	6,501	160,022
Second mortgage	453	14,978	345	10,620	4,826	160,215	2,587	78,585
Modifications	106	13,643	-	-	249	34,258	-	-
Lease and land	-	-	-	-	2	2,100	-	-
Own production	4,664	444,713	3,367	432,135	45,487	4,859,292	37,380	4,404,705
FHA/ VA purchases	61	6,430	61	6,572	725	82,335	794	86,912
Conforming mortgage purchases	1,759	219,853	794	196,679	12,154	2,484,930	9,040	1,693,471
Non-conforming mortgage purchases	282	37,970	250	29,585	2,968	376,137	2,344	293,714
Purchased production	2,102	264,253	1,105	232,836	15,847	2,943,402	12,178	2,074,097
Total production (2)	6,766	\$ 708,966	4,472	\$ 664,971	61,334	\$ 7,802,694	49,558	\$ 6,478,802
Production by geographic area:								
PR	5,443	\$ 521,455	3,671	\$ 465,328	50,292	\$ 5,325,987	41,440	\$ 4,751,175
US	1,323	\$ 187,511	801	\$ 199,643	11,042	\$ 2,476,707	8,118	\$ 1,727,627
Refinancing	1,598	\$ 144,278	1,641	\$ 161,173	20,657	\$ 2,052,914	19,123	\$ 2,106,000
% of own production (3)		41%		51%		55%		62%
Originations (4)	4,594	\$ 481,602	3,778	\$ 397,911	58,872	\$ 6,271,803	47,426	\$ 5,311,031
Loans closed - New projects	474	\$ 48,685	366	\$ 44,408	4,532	\$ 539,481	4,250	\$ 518,563
% of own production (3)		14%		14%		14%		15%

(1) These loans are included in the production for the month according to the disbursements made on commitments, both new and existing, entered into by Doral Financial and third parties. As of December 31, 2004, approximately \$571.9 million was the amount outstanding of the original commitments, and approximately \$606.5 million had not been yet disbursed.

(2) No loans have been sold on a participation basis.

(3) Percentage of own production excludes construction - development, consumer, commercial and multifamily figures.

(4) The "originations" presented above were performed by HF Mortgage Bankers, Doral Mortgage Corporation, Sana Mortgage Corporation and Centro Hipotecario de P.R. only.

DORAL FINANCIAL CORPORATION
CONSOLIDATING SCHEDULE OF LOAN PRODUCTION - 2004
(DOLLARS IN THOUSANDS)

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>YTD 2004</u>
<u>HF Mortgage</u>													
Own production	\$ 61,125	\$ 65,623	\$ 74,901	\$ 69,505	\$ 77,036	\$ 65,797	\$ 59,337	\$ 70,052	\$ 62,079	\$ 65,568	\$ 64,619	\$ 76,355	\$ 811,997
Purchased production	7,220	37,505	15,048	10,362	8,632	15,570	13,511	17,997	7,160	9,466	30,567	61,672	234,710
Total	68,345	103,128	89,949	79,867	85,668	81,367	72,848	88,049	69,239	75,034	95,186	138,027	1,046,707
<u>Doral Mortgage</u>													
Own production	70,567	73,150	97,184	74,333	78,712	77,877	73,958	69,302	62,223	86,231	80,478	77,082	921,097
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	70,567	73,150	97,184	74,333	78,712	77,877	73,958	69,302	62,223	86,231	80,478	77,082	921,097
<u>SANA Mortgage</u>													
Own production	10,182	13,464	12,220	15,591	14,257	15,614	16,041	18,510	15,473	14,360	16,988	13,844	176,544
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	10,182	13,464	12,220	15,591	14,257	15,614	16,041	18,510	15,473	14,360	16,988	13,844	176,544
<u>Centro Hipotecario</u>													
Own production	7,873	10,694	14,530	9,620	8,912	9,195	7,161	7,360	8,491	10,222	9,976	8,104	112,138
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	7,873	10,694	14,530	9,620	8,912	9,195	7,161	7,360	8,491	10,222	9,976	8,104	112,138
<u>Doral Bank-PR</u>													
Own production (PR)	167,647	227,175	270,225	246,329	187,707	221,754	230,319	274,143	218,588	205,608	201,357	246,854	2,697,706
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
PR	23,736	24,899	32,024	26,138	32,271	33,443	29,456	31,279	26,611	40,167	34,227	37,544	371,795
US	151,532	151,215	180,782	209,672	209,280	211,653	210,835	211,178	210,114	210,134	211,427	165,037	2,332,859
Total	342,915	403,289	483,031	482,139	429,258	466,850	470,610	516,600	455,313	455,909	447,011	449,435	5,402,360
<u>Doral Bank-NY</u>													
Own production (US)	2,243	1,217	15,528	2,105	2,068	4,974	6,331	10,096	17,910	10,039	4,996	20,474	97,981
Purchased production (US)	-	-	-	-	-	-	-	-	-	4,038	-	-	4,038
Total	2,243	1,217	15,528	2,105	2,068	4,974	6,331	10,096	17,910	14,077	4,996	20,474	102,019
<u>Doral Money</u>													
Own production (US)	-	13,127	8,785	3,668	1,590	1,659	-	-	-	-	11,000	2,000	41,829
Purchased production (US)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	13,127	8,785	3,668	1,590	1,659	-	-	-	-	11,000	2,000	41,829
<u>Consolidated</u>													
Own production	-	-	-	-	-	-	-	-	-	-	-	-	-
PR	317,394	390,106	469,060	415,378	366,624	390,237	386,816	439,367	366,854	381,989	373,418	422,239	4,719,482
US	2,243	14,344	24,313	5,773	3,658	6,633	6,331	10,096	17,910	10,039	15,996	22,474	139,810
Total	319,637	404,450	493,373	421,151	370,282	396,870	393,147	449,463	384,764	392,028	389,414	444,713	4,859,292
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
PR	30,956	62,404	47,072	36,500	40,903	49,013	42,967	49,276	33,771	49,633	64,794	99,216	606,505
US	151,532	151,215	180,782	209,672	209,280	211,653	210,835	211,178	210,114	214,172	211,427	165,037	2,336,897
Total	182,488	213,619	227,854	246,172	250,183	260,666	253,802	260,454	243,885	263,805	276,221	264,253	2,943,402
<u>Grand Total</u>													
	\$ 502,125	\$ 618,069	\$ 721,227	\$ 667,323	\$ 620,465	\$ 657,536	\$ 646,949	\$ 709,917	\$ 628,649	\$ 655,833	\$ 665,635	\$ 708,966	\$ 7,802,694

DORAL FINANCIAL CORPORATION
CONSOLIDATING SCHEDULE OF LOAN PRODUCTION - 2003
(DOLLARS IN THOUSANDS)

	<u>Jan-03</u>	<u>Feb-03</u>	<u>Mar-03</u>	<u>Apr-03</u>	<u>May-03</u>	<u>Jun-03</u>	<u>Jul-03</u>	<u>Aug-03</u>	<u>Sep-03</u>	<u>Oct-03</u>	<u>Nov-03</u>	<u>Dec-03</u>	<u>YTD 2003</u>
<u>HF Mortgage</u>													
Own production	\$ 54,198	\$ 64,965	\$ 63,905	\$ 56,981	\$ 62,719	\$ 76,700	\$ 68,007	\$ 73,223	\$ 74,907	\$ 87,201	\$ 58,584	\$ 77,990	\$ 819,380
Purchased production	5,363	10,989	17,777	9,871	9,858	9,778	24,403	38,756	32,246	27,354	19,680	7,053	213,128
Total	59,561	75,954	81,682	66,852	72,577	86,478	92,410	111,979	107,153	114,555	78,264	85,043	1,032,508
<u>Doral Mortgage</u>													
Own production	70,824	76,288	80,693	76,250	83,483	77,513	70,903	73,336	64,400	74,355	58,933	66,857	873,835
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	70,824	76,288	80,693	76,250	83,483	77,513	70,903	73,336	64,400	74,355	58,933	66,857	873,835
<u>SANA Mortgage</u>													
Own production	13,219	7,572	8,592	10,103	11,602	9,546	8,873	9,986	9,326	11,456	12,162	10,948	123,385
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	13,219	7,572	8,592	10,103	11,602	9,546	8,873	9,986	9,326	11,456	12,162	10,948	123,385
<u>Centro Hipotecario</u>													
Own production	9,424	8,947	8,908	8,305	7,972	11,704	6,373	9,243	9,911	8,696	5,524	5,036	100,043
Purchased production	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	9,424	8,947	8,908	8,305	7,972	11,704	6,373	9,243	9,911	8,696	5,524	5,036	100,043
<u>Doral Bank-PR</u>													
Own production (PR)	144,698	148,803	199,937	172,725	198,038	223,834	205,124	191,831	227,277	175,893	181,861	268,280	2,338,301
Purchased production:													
PR	10,714	16,432	17,050	16,647	20,941	25,130	26,994	31,180	27,604	30,917	30,330	29,164	283,103
US	120,795	121,371	121,498	121,364	122,512	124,088	121,700	120,640	121,360	118,935	151,308	196,619	1,562,190
Total	276,207	286,606	338,485	310,736	341,491	373,052	353,818	343,651	376,241	325,745	363,499	494,063	4,183,594
<u>Doral Bank-NY</u>													
Own production (US)	37,482	1,249	1,794	26,908	5,013	2,982	7,274	8,748	4,566	4,027	1,683	3,024	104,750
Purchased production (US)	-	-	-	-	-	13,605	-	-	2,071	-	-	-	15,676
Total	37,482	1,249	1,794	26,908	5,013	16,587	7,274	8,748	6,637	4,027	1,683	3,024	120,426
<u>Doral Money</u>													
Own production (US)	9,652	6,957	460	-	2,120	7,686	-	5,368	5,369	1,000	6,399	-	45,011
Purchased production (US)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	9,652	6,957	460	-	2,120	7,686	-	5,368	5,369	1,000	6,399	-	45,011
<u>Consolidated</u>													
Own production													
PR	292,363	306,575	362,035	324,364	363,814	399,297	359,280	357,619	385,821	357,601	317,064	429,111	4,254,944
US	47,134	8,206	2,254	26,908	7,133	10,668	7,274	14,116	9,935	5,027	8,082	3,024	149,761
Total	339,497	314,781	364,289	351,272	370,947	409,965	366,554	371,735	395,756	362,628	325,146	432,135	4,404,705
Purchased production													
PR	16,077	27,421	34,827	26,518	30,799	34,908	51,397	69,936	59,850	58,271	50,010	36,217	496,231
US	120,795	121,371	121,498	121,364	122,512	137,693	121,700	120,640	123,431	118,935	151,308	196,619	1,577,866
Total	136,872	148,792	156,325	147,882	153,311	172,601	173,097	190,576	183,281	177,206	201,318	232,836	2,074,097
<u>Grand Total</u>	\$ 476,369	\$ 463,573	\$ 520,614	\$ 499,154	\$ 524,258	\$ 582,566	\$ 539,651	\$ 562,311	\$ 579,037	\$ 539,834	\$ 526,464	\$ 664,971	\$ 6,478,802

DORAL FINANCIAL CORPORATION
CONSTRUCTION LOANS CLOSED DURING THE YEAR - PUERTO RICO
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

MONTH	BORROWER (PROJECT NAME) / LOCATION	BORROWER'S PRINCIPAL OWNER, STOCKHOLDER OR GUARANTOR	LOAN TYPE	COMMITMENT	PEAK	OUTSTANDING BALANCE
January	IJK, Inc. / Carolina	Joel Kats	Residential Construction	\$ 19,504	\$ 12,500	\$ 6,884
	Desarrolladora Punta Carenero / Culebra	Carlos Escobano Miró / Esteban Ramallo Díaz	Residential Construction	15,917	8,000	5,862
	Rio Piedras Housing Mgmt / Gurabo	Carlos López Rosano	Residential Construction	13,427	7,500	1,243
	Inmobiliaria Chabemil, S.E. / Guaynabo	José A. Mercado	Bridge Financing	1,507	1,507	1,507
				<u>\$ 50,355</u>	<u>\$ 29,507</u>	<u>\$ 15,496</u>
February	Desarrollos Rio Dorado, Inc. / Dorado	Manuel Pérez Nevarez	Residential Construction	\$ 19,079	\$ 13,000	\$ 4,751
	Los Prados Urbanos, S.E. / Caguas	Ramón Fuentes Ferrer	Bridge Financing	3,100	3,100	3,100
	Kianvel Developers, Inc. / Dorado (1)	Enrique Vélez / Angel Román	Bridge Financing	2,500	2,500	-
	Island Development Corp. / Manati (1)	Manuel Batlle	Bridge Financing	1,736	1,736	-
	Social Interest Dev. Growth Assoc. / Naguabo (1)	Enrique Rodríguez Negrón	Bridge Financing	1,410	1,410	-
	Brighton Homes Caribbean, Inc. / Trujillo Alto	Louis O. González	Bridge Financing	1,250	1,250	608
	Aguilera Development Corp. / Guayama	Luis Aguilera	Residential Construction	694	694	520
	IMC Development Corp. / Coamo	Jaime Vilaro	Bridge Financing	475	475	475
				<u>\$ 30,244</u>	<u>\$ 24,165</u>	<u>\$ 9,454</u>
March	Estancias de Juncos, Inc. / Caguas	Juan R. Costa / Fred Achezar	Residential Construction	\$ 20,300	\$ 13,000	\$ 3,291
	El Director Construction, Inc. / Naguabo	José L. Mundo	Residential Construction	12,365	6,500	2,845
	Playa Hermosa Development / Vega Baja (1)	Nicolás Rivera Valentín	Bridge Financing	11,250	11,250	-
	Inmobiliaria Equipos Pesados, Inc. / Trujillo Alto	Luis Cela / Armando Chirino	Residential Construction	11,144	11,144	1,485
	Social Interest Growth Assoc. / Naguabo	Enrique Rodríguez Negrón	Residential Construction	10,007	6,503	6,440
	Orion Contractors Co., Inc. / Carolina	Epifanio González	Residential Construction	4,601	2,800	1,842
	Ciudad Centro, Inc. / Cidra (1)	Héctor Torres	Bridge Financing	2,978	2,978	-
	Empresas Contreras Corp. / Condado	Victor Contreras / Carlos Contreras	Bridge Financing	984	984	983
	CMB Development Corp. / Salinas	Carlos Barera	Bridge Financing	875	875	845
	Regency Development Corp. / Rio Grande	Oswaldo Domenech / Enrique Santiago	Bridge Financing	534	534	534
	Carama Construction Corp. / Villalba (1)	Ernesto Acosta Matos	Bridge Financing	350	350	-
	Regency Development Corp. / Rio Grande	Oswaldo Domenech / Enrique Santiago	Bridge Financing	150	150	150
				<u>\$ 75,538</u>	<u>\$ 57,068</u>	<u>\$ 18,415</u>
April	Lago Esmeralda Developers, Inc. / Trujillo Alto	Francisco Pujols	Residential Construction	\$ 27,520	\$ 19,500	\$ 2,835
	Social Interest Growth Assoc. / Guayama	Enrique Rodríguez Negrón / Philip Diorio	Residential Construction	23,645	9,095	8,265
	Coop. De Vivienda Empleados UPR / San Juan	Coop. De Vivienda Empleados UPR	Residential Construction	6,570	153	137
	MCC Developers Corp. / Arroyo	Carlos Barera	Residential Construction	6,035	4,500	4,522
	Lago Esmeralda Developers, Inc. / Trujillo Alto	Francisco Pujols	Bridge Financing	2,000	2,000	2,000
	MCC Developers Corp. / Arroyo (1)	Carlos Barera	Bridge Financing	920	920	-
	Desarrolladora Martí Inc. / Santurce	Héctor García Muriel / Myrta Ramos	Residential Construction	903	903	679
	Diamond Development Corp. / Trujillo Alto	Juan R. Costa	Bridge Financing	790	790	779
	RCG Development Corp. / Vega Baja (1)	Reinaldo Chipi	Bridge Financing	426	426	-
	Sixth Development / Bayamon	Emilio Fagundo	Bridge Financing	416	416	416
	Desarrolladora Valladares, Inc. / Aibonito (1)	Aurora Valladares	Bridge Financing	200	200	-
	Down Town Homes Corp. / Trujillo Alto	Carlos O. González	Bridge Financing	100	100	98
				<u>\$ 69,525</u>	<u>\$ 39,003</u>	<u>\$ 19,731</u>
May	Acquamanna Development Corp. / San Juan	Francisco Pujols	Residential Construction	\$ 34,206	\$ 34,206	\$ 5,962
	HAL Development Corp. / Carolina	Héctor Torres	Residential Construction	18,023	12,206	6,207
	BBS Developers SE / Salinas	Isaac Sánchez	Residential Construction	11,451	8,000	2,979
	Acquamanna Development Corp. / San Juan	Francisco Pujols	Bridge Financing	8,000	8,000	8,000
	Kianvel Developers, Inc. / Dorado	Enrique Vélez / Angel Román	Residential Construction	5,555	3,700	3,212
	Cables Holding Corp. / Las Piedras	Nelson Famadas	Bridge Financing	1,280	1,280	1,245
	Piedras Blancas Enterprises / Guaynabo	Carlos Contreras / Agustín Crespo	Bridge Financing	706	706	694
	Mediterranean Properties, Inc. / Las Piedras	Vicente Rodríguez	Bridge Financing	176	176	91
				<u>\$ 79,397</u>	<u>\$ 68,274</u>	<u>\$ 28,390</u>
June	Bosque del Plata Dev. Corp. / Arecibo	César Vázquez	Residential Construction	\$ 21,912	\$ 13,000	\$ 5,326
	ARJC Construction Corp. / Carolina	Agustín Crespo / Javier Frau	Residential Construction	17,740	9,400	1,725
	OZ Investment, Inc. / Santurce	Héctor García Muriel / Myrta Ramos	Residential Construction	5,548	5,548	959
	Regency Dev. Yabucoa, Inc. / Yabucoa	Oswaldo Domenech / Enrique Santiago	Residential Construction	5,020	3,700	1,079
	Carama Construction Corp. / Villalba	Ernesto Acosta	Residential Construction	5,000	5,000	4,184
	Camino Terraverte, Inc. / Coamo	Carlos González / Enrique Santiago	Residential Construction	4,125	3,000	1,495
	Terra FMCP, Inc. / Cayey	Joseph McCloskey / Luis E. Pérez	Bridge Financing	2,300	1,603	1,585
	Adrian Stella / Arecibo	Adrian Stella	Bridge Financing	1,000	1,000	924
	Los Guaburos, Corp. / Guayanilla	Luis Garate / Enrique Santiago	Bridge Financing	862	862	842
	Laderas de Villalba, Inc. / Villalba	Miguel Hernández	Bridge Financing	603	603	582
	OZ Investment, Inc. / Santurce	Héctor García Muriel / Myrta Ramos	Bridge Financing	500	500	500
	La Hiedra Condominium Corp. / San Juan	Jorge Rios Pulpeiro	Bridge Financing	338	338	337
	Palmas del Sol, S.E. / Lares	Arturo Baella / Raúl Rodríguez	Bridge Financing	60	60	60
				<u>\$ 65,008</u>	<u>\$ 44,614</u>	<u>\$ 19,598</u>

DORAL FINANCIAL CORPORATION
CONSTRUCTION LOANS CLOSED DURING THE YEAR - PUERTO RICO (CONT.)
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

MONTH	BORROWER (PROJECT NAME) / LOCATION	BORROWER'S PRINCIPAL OWNER, STOCKHOLDER OR GUARANTOR	LOAN TYPE	COMMITMENT	PEAK	OUTSTANDING BALANCE
July	Island Developers, S.E. / Manatí	Manuel Batlle	Residential Construction	\$ 20,874	\$ 10,804	\$ 3,644
	Vega Del Rio Development / Luquillo	Benjamin Placeres	Residential Construction	17,638	9,000	2,153
	Gables Holding Corporation / Bayamón (1)	Nelson Farnadas	Bridge Financing	1,733	1,733	-
	Inmobiliaria Crespo Corp. / Humacao (1)	Juan José Crespo	Bridge Financing	1,400	1,400	-
	MCC Developers Corp. / Patillas (1)	Carlos Barena	Bridge Financing	1,200	1,200	-
	Carib-Funding Corp. / San Juan	Reinaldo Paniagua	Bridge Financing	355	355	338
	Paseos De La Mancha, Inc. / Ciales	Roberto Soto Carreras	Bridge Financing	300	197	197
	Down Town Homes Corp. / Bayamón	Carlos O. Gonzalez	Bridge Financing	196	196	189
				\$ 43,716	\$ 24,885	\$ 6,521
August	Searock Corporation / Fajardo	Adriel Longo	Residential Construction	\$ 29,100	\$ 16,000	\$ 2,596
	Mediterranean Properties, Inc. / Las Piedras	Vicente Rodriguez	Residential Construction	14,923	11,557	4,025
	Desarrollos Membrillos Corp. / Barceloneta	Manuel Batlle	Residential Construction	9,905	6,700	3,642
	VB Developers, Corp. / Vega Baja	Reinaldo Chipi	Residential Construction	6,113	5,000	934
	Luquillo Development, S.E. / Luquillo	Agustín Crespo / Juan J. Crespo	Bridge Financing	5,345	5,345	4,166
	Portales De Carolina, Inc. / Carolina	Carlos Jimenez Muñoz	Bridge Financing	2,515	2,515	2,385
	Lago Esmeralda Developers, Inc. / Trujillo Alto	Francisco Pujols	Bridge Financing	2,035	2,035	1,821
	Mediterranean Properties, Inc. / Las Piedras	Vicente Rodriguez	Bridge Financing	1,100	1,100	1,100
	Inmobiliaria Tic, Inc. / Rincón	José Bechara / Carlos Bechara	Bridge Financing	1,000	1,000	966
	Efron Dorado, S.E. / Dorado	David Efron	Bridge Financing	850	850	850
	Lago Esmeralda Developers, Inc. / Trujillo Alto	Francisco Pujols	Bridge Financing	445	445	429
				\$ 73,331	\$ 52,547	\$ 22,914
September	Brisas Del Monte, S.E. / Bayamón	Nelson Farnadas	Residential Construction	\$ 20,379	\$ 16,300	\$ 3,015
	Los Prados Urbanos, S.E. / Caguas	Ramón Fuentes Ferrer	Residential Construction	17,165	10,500	1,112
	Continental Alliance Group, Inc. / Rio Piedras	Luis Mayoral / Roberto Roca	Residential Construction	8,631	8,300	6,739
	I C S, Inc. Vista Al Mar / Cataño	Pedro Viera / Miguel Hernández	Residential Construction	7,823	4,800	2,356
	MCC Developers Corp. / Arroyo	Carlos Barena	Residential Construction	4,290	3,500	1,780
	EFA Development Corp. / Bayamón	Emilio Fagundo	Bridge Financing	2,846	2,846	2,773
	4 Seasons Construction Corp. / Vega Baja (1)	Eduardo Clemente / Santiago Chavez	Bridge Financing	859	859	-
	Mr. & Mrs. Manuel Rexach / Lotza	Manuel Rexach	Bridge Financing	410	410	361
	Manmer Olazagasti / Manatí	Manmer Olazagasti	Bridge Financing	350	350	350
				\$ 62,753	\$ 47,865	\$ 18,486
October	Brisas de Mar Chiquita, S.E. / Manatí	Manmer Olazagasti	Residential Construction	\$ 30,669	\$ 13,800	\$ 5,412
	TCL Construction & Rental Corp. / Arroyo	Carlos Barena / Luis R. Morales Solano	Residential Construction	15,962	13,000	8,830
	SJ Development Corp. / Santurce	Fernando Redondo / Ramón de León	Residential Construction	6,874	6,874	1,210
	Pacific Development, Inc. / Santurce	Marcos Rodriguez Pidal	Residential Construction	2,980	2,980	289
	Jabiana Development Corp. / Guaynabo	Manmer Olazagasti	Bridge Financing	1,440	1,440	1,440
				\$ 57,925	\$ 38,094	\$ 17,181
November	MCC Developers, Corp. / Patillas	Carlos Barena	Residential Construction	\$ 11,194	\$ 6,000	\$ 3,110
	4 Seasons Construction Corp. / Vega Baja	Eduardo Clemente / Santiago Chavez	Residential Construction	10,873	6,500	1,331
	Social Interest Growth Corp. / Fajardo	Enrique Rodriguez / Philip Dierio	Residential Construction	3,333	2,520	1,030
	Villa Vista, Inc. / Gurabo	Emilio Fagundo	Bridge Financing	3,170	2,966	2,831
	Siglo Real Corp. / Old San Juan	James Sánchez	Commercial Loan	3,117	3,117	1,185
	Mora Development S.E. / Toa Alta	Cleofe Rubi	Bridge Financing	2,616	2,616	2,338
	Silver Lakes Development Corp. / Toa Alta	Elberto Berdud / Luis Rodriguez / Miguel Pérez	Bridge Financing	2,500	2,500	2,222
	Manmer Olazagasti / Las Piedras	Manmer Olazagasti	Bridge Financing	2,200	2,200	2,111
	Mega Developers, Inc. / Guaynabo	F. López / J.M. Pérez / Per Bjork / W.H. Deferia	Bridge Financing	1,440	1,440	1,337
	LR Development & Investment Corp. / Hatillo (1)	Noel Román / Joaquín López	Bridge Financing	625	625	-
	Laderas de Villalba / Villalba	Miguel Hernández	Bridge Financing	306	306	306
	Aguilera Development Corp. / Guánica	Luis A. Aguilera	Bridge Financing	290	290	290
				\$ 41,664	\$ 31,080	\$ 18,091
December	Vistas De Canovanas, Inc. / Canóvanas	Ramon Mac-Crohen	Residential Construction	\$ 28,073	\$ 14,921	\$ 2,306
	Hal Development Corp. / Carolina	Héctor Torres Zayas	Residential Construction	20,233	12,827	1,994
	Diaz, Romero & Sons Enterprises, Inc. / San Juan	Porfirio Diaz Torres	Commercial Loan	2,450	2,450	2,422
	LR Development & Investment Corp. / Hatillo	Noel Román / Joaquín López Avilés	Residential Construction	2,176	2,176	659
	Inmobiliaria Abraham, Inc. / Guaynabo	Elberto Berdud Teruel / Francisco Fuentes	Bridge Financing	961	961	871
	Crown Development, S.E. / Rio Grande	Manuel L. Ferrer	Bridge Financing	700	700	265
	Elberto Berdud Teruel / Juncos	Elberto Berdud Teruel	Bridge Financing	560	560	560
	Elberto Berdud Teruel / Vega Alta	Elberto Berdud Teruel	Bridge Financing	520	520	520
	Frama Development Corp.	Frank Cue Garcia	Bridge Financing	432	432	432
	Plaza Barcelona, Inc.	Héctor García Muiel / Myrta Ramos	Bridge Financing	235	235	235
				\$ 56,340	\$ 35,782	\$ 10,214

(1) Paid-off

DORAL FINANCIAL CORPORATION
CONSTRUCTION LOANS CLOSED DURING THE YEAR - NEW YORK
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

MONTH	BORROWER (PROJECT NAME) / LOCATION	BORROWER'S PRINCIPAL OWNER, STOCKHOLDER OR GUARANTOR	LOAN TYPE	COMMITMENT	OUTSTANDING BALANCE
January	732 East 152nd Street, Bronx, NY (1)	152 Realty LLC	Construction	\$ 859	\$ -
February	None	-	-	\$ -	\$ -
March	Mosel Avenue, Staten Island, NY (1) 5 Pomona Ave., Newark, NJ 19 Silver Beech Lane, Baiting Hollow, NY (1) 535 Cedarhurst Ave., Cedarhurst, NY (1)	Mosel - 2 LLC Pomona Ave. Associates LLC Norbert G. & Anne Marie Schreiber Shanie LLC	Bridge Financing Construction Bridge Financing Bridge Financing	\$ 2,960 1,500 315 165	\$ - 1,100 - -
				\$ 4,940	\$ 1,100
April	None	-	-	\$ -	\$ -
May	None	-	-	\$ -	\$ -
June	1544 East 13th Street Brooklyn, NY 1544 East 13th Street Brooklyn, NY	Samuel Rychik Samuel Rychik	Construction - Multifamily Construction - 1-4 Family	\$ 2,131 600	\$ 828 600
				\$ 2,731	\$ 1,428
July	None	-	-	\$ -	\$ -
August	The Grand 73 LLC, Brooklyn, NY 25-47 McDonald Avenue, Brooklyn, NY Lawrence Holdings, Yonkers, NY The Grand 73 LLC, Brooklyn, NY (1)	Abraham Bistrizy / Shamon Rabkin / Mendy Gorodetsky Carmela Bacile Vito Fasciglione / Miguel Pérez Abraham Bistrizy / Shamon Rabkin / Mendy Gorodetsky	Construction - Multifamily Bridge Financing Bridge Financing Construction - 1-4 Family	\$ 3,716 1,690 700 884	\$ 1,016 1,690 700 -
				\$ 6,990	\$ 3,406
September	473 Demott Lane / 1135 Hamilton, Somerset, NJ 147 West 143rd Street, New York, NY 3164 Enmons Avenue, Brooklyn, NY 60 Grand Avenue, Brooklyn, NY	Puncus Rand / Alexander Markowits Paris Giannopoulos / Shahrar Ghanafard Joel Shafran / David Fuld et al Abraham Bistrizy / Shamon Rabkin / Mendy Gorodetsky	Bridge Financing Construction - 1-4 Family Land Bridge Financing	\$ 7,000 2,286 2,000 1,000	\$ 7,000 1,368 1,977 997
				\$ 12,286	\$ 11,342
October	7-11 West 131st Street, New York, NY 331 East 8th Street, New York, NY	Peter Rosenbaum William Lozito / Joseph Lozito / Methew T. Brown	Construction - 1-4 Family Construction - 1-4 Family	\$ 3,600 2,625	\$ 1,676 1,320
				\$ 6,225	\$ 2,996
November	E & L's Place, Manhattan, NY	Linda Greco	Construction - 1-4 Family	\$ 1,250	\$ 1,250
				\$ 1,250	\$ 1,250
December	D&A Equities LLC, Brooklyn, NY The Bradhurst Carriage House, Manhattan, NY GG & Realty Associates, LLC, Springfield, NY (1)	Aaron Wexler / Richard Kaminer / David Deutsch Robert J. Kafanski Aaron Goldklang	Construction - Multifamily Construction - 1-4 Family Construction - Multifamily	\$ 7,000 3,625 667	\$ 7,000 681 -
				\$ 11,292	\$ 7,681

(1) Paid-off

DORAL FINANCIAL CORPORATION
AGGREGATE LOANS TO ONE BORROWER LIMITS- CONSOLIDATED
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

Self Imposed Limit of 15% of Consolidated Capital:

\$ 295,915

BORROWER PROJECT NAME AND LOCATION	BORROWER'S NAME	LOAN TYPE	MAXIMUM AUTHORIZED BALANCE			OUTSTANDING BALANCE
			MORTGAGE BANKING	BANKING	TOTAL	
Aquamarina Development Corp. - San Juan	Francisco Pujols	Bridge Financing	\$ 8,000	\$ -	\$ 8,000	\$ 8,000
Lago Esmeralda Developers Inc. - Trujillo Alto		Bridge Financing	2,000	-	2,000	2,000
Francisco Pujols		Conventional	551	-	551	551
Lago Esmeralda Developers, Inc. - Trujillo Alto		Bridge Financing	445	-	445	429
Francisco Pujols		Conventional (1)	272	-	272	272
Aquamarina Development Corp. - San Juan		Residential Construction	-	34,206	34,206	5,962
Lago Esmeralda Developers, Inc. / Emerald Lake Plantation - Trujillo Alto		Residential Construction	-	19,500	19,500	2,835
Emerald Princess, Inc. - Hato Rey		Bridge Financing	-	3,695	3,695	3,643
Edificio Unica - San Juan		Commercial	-	2,480	2,480	2,409
Lago Esmeralda Developers, Inc. / Emerald Lake Plantation - Trujillo Alto		Bridge Financing	-	2,035	2,035	1,821
Francisco Pujols		Conventional	-	619	619	619
Francisco Pujols		Conventional (1)	-	68	68	68
			\$ 11,268	\$ 62,603	\$ 73,871	\$ 28,609
Los Prados Urbanos, S.E. / Los Prados - Caguas	Ramón Fuentes	Residential Construction (2)	\$ -	\$ 23,228	\$ 23,228	\$ 18,814
Los Prados Urbanos, S.E. / Serena - Caguas		Residential Construction	-	15,000	15,000	14,756
Los Prados Urbanos, S.E. / La Reserva - Caguas		Residential Construction	-	10,500	10,500	1,112
Los Prados Urbanos, S.E. / Los Prados - Caguas		Bridge Financing	-	3,350	3,350	3,350
Los Prados Urbanos, S.E. / Los Prados - Caguas		Bridge Financing	-	3,100	3,100	3,100
			\$ -	\$ 55,178	\$ 55,178	\$ 41,132
River Hills, S.E. / River Hills - Canóvanas	Arturo Madero	Bridge Financing	\$ 812	\$ -	\$ 812	\$ 812
Arturo Madero		Conventional (1)	249	-	249	249
Arturo Madero		Conventional (1)	133	-	133	133
Arturo Madero		Conventional (1)	98	-	98	98
Arturo Madero		Conventional (1)	91	-	91	91
Arturo Madero		Conventional (1)	87	-	87	87
Costa Real, S.E. / Vistas del Yunque - Río Grande		Bridge Financing	48	-	48	48
Colinas del Bosque, S.E. / La Colina - Bayamón		Residential Construction	-	24,500	24,500	24,479
Alturas del Bosque, S.E. /						
Alturas del Bosque - Río Piedras		Residential Construction	-	20,200	20,200	17,176
Arturo Madero / La Colina - Bayamón		Bridge Financing	-	955	955	955
Arturo Madero & Zoila Levis		Overdraft Protection	-	25	25	-
			\$ 1,518	\$ 45,680	\$ 47,198	\$ 44,128
Mora Development Corp. / Monte Cielo - Guaynabo	Cleofe Rubi	Bridge Financing	\$ 4,500	\$ -	\$ 4,500	\$ 4,500
Mora Development Corp. / Las Estancias II - Caguas		Bridge Financing	3,600	-	3,600	3,600
Mora Development Corp. / Capitolio Sur - San Juan		Bridge Financing	1,323	-	1,323	1,323
Mora Development Corp. / Brisas del Lago - Corozal		Bridge Financing	1,185	-	1,185	1,185
Mora Development Corp. / Paseo del Prado - Carolina		Bridge Financing	800	-	800	800
Cleofe Rubi		Conventional (1)	311	-	311	311
Cleofe Rubi		Conventional (1)	180	-	180	180
Cleofe Rubi		Conventional (1)	108	-	108	108
Cleofe Rubi		Conventional (1)	39	-	39	39
Mora Development Corp. / Paseo Alta Vista - Toa Alta		Residential Construction (3)	-	10,000	10,000	9,927
Santa Paula Apartments - Guaynabo		Commercial	-	6,800	6,800	6,659
E.S. Hotel Isla Verde, S.E.		Commercial	-	4,500	4,500	3,969
Mora Development Corp. /						
Parque de las Fuentes Office Building - Río Piedras		Commercial	-	3,400	3,400	3,389
Mora Development Corp. / Valles Del Toa - Toa Alta		Bridge Financing	-	2,616	2,616	2,338
Carolina Industrial, S.E. - Carolina		Commercial	-	1,615	1,615	1,613
Hunter del Caribe - San Juan		Commercial	-	1,551	1,551	1,519
Ruchi Corp. - San Juan		Commercial	-	300	300	296
			\$ 12,046	\$ 30,782	\$ 42,828	\$ 41,756

DORAL FINANCIAL CORPORATION
AGGREGATE LOANS TO ONE BORROWER LIMITS- CONSOLIDATED (CONT.)
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

Self Imposed Limit of 15% of Consolidated Capital:

\$ 295,915

BORROWER PROJECT NAME AND LOCATION	BORROWER'S NAME	LOAN TYPE	MAXIMUM AUTHORIZED BALANCE			OUTSTANDING BALANCE
			MORTGAGE BANKING	BANKING	TOTAL	
Palo Blanco Development/ Paseo de la Ceiba - Juncos Island Developers S.E. / Marchiquita - Manati	Manuel Batlle / A. Rubi / C. Garcia	Residential Construction Residential Construction	\$ - -	\$ 12,500 10,804	\$ 12,500 10,804	\$ 11,436 3,644
Ambient Development / Paseos Reales - Aguadilla Desarrollos Membrillos, Corp. / La Plazuela - Barceloneta	M. Batlle / R. Casanova	Residential Construction Residential Construction	- -	8,200 6,700	8,200 6,700	6,215 3,642
Estancia de Monte Grande / Monte Grande - Cabo Rojo		Residential Construction	-	1,296	1,296	773
			\$ -	\$ 39,500	\$ 39,500	\$ 25,710
Ciudad Centro / Finca Domus - Coamo Hector Torres Hector Torres	Hector Torres	Bridge Financing Conventional	\$ 741 513	\$ - -	\$ 741 513	\$ 741 513
Ciudad Centro - San Juan		Conventional (1)	204	-	204	204
HAL Development Corporation / Monte Centro I - Carolina HAL Development Corporation / Loma Alta - Carolina		Line of Credit Residential Construction	68 -	- 12,827	68 12,827	3 1,994
Ciudad Centro / Jardines de la Reina - Guayama		Residential Construction	-	12,206	12,206	6,207
Olympic Homes, Inc. / Parques de Jacaranda - Santa Isabel		Residential Construction	-	8,643	8,643	7,039
Olympic Homes, Inc. / Portales de Jacaranda - Santa Isabel		Residential Construction	-	922	922	731
		Residential Construction	-	797	797	689
			\$ 1,526	\$ 35,395	\$ 36,921	\$ 18,121
Monte Hiedra Office Building - San Juan	Julio E. Vizcarrondo	Commercial	\$ -	\$ 36,000	\$ 36,000	\$ 36,000
Gables Holding Corp. - Las Piedras Brisas del Monte, S.E. / Brisas del Monte - Bayamon	Nelson Famadas	Bridge Financing Residential Construction	\$ 1,280 -	\$ - 16,300	\$ 1,280 16,300	\$ 1,245 3,015
Velomas Corp. / Velomas - Vega Baja		Residential Construction	-	11,500	11,500	10,238
			\$ 1,280	\$ 27,800	\$ 29,080	\$ 14,498
CMB Developers Corp. - Salinas TLC Construction & Rental Corp. / Solimar Development - Arroyo	Carlos Barrens	Bridge Financing	\$ 875	\$ -	\$ 875	\$ 845
MCC Developers Corp. / Valles de Patillas - Patillas	C. Barrens / L. Morales	Residential Construction	-	13,000	13,000	8,830
MCC Developers Corp. / Valles de Arroyo III - Arroyo		Residential Construction	-	6,000	6,000	3,110
MCC Developers Corp. / Valles de Arroyo IV - Arroyo		Residential Construction	-	4,522	4,522	4,522
		Residential Construction	-	3,500	3,500	1,780
			\$ 875	\$ 27,022	\$ 27,897	\$ 19,087
Villas del Caribe, S.E. / Villas del Caribe - Rio Piedras Ven-Lour Enterprises / Barrio Pajaros - Bayamon	Jose M. Ventura	Bridge Financing Bridge Financing	\$ 4,650 2,022	\$ - -	\$ 4,650 2,022	\$ 4,650 1,934
Jose M. Ventura		Conventional (1)	393	-	393	393
Jose M. Ventura		Conventional (1)	393	-	393	393
Monacillos - San Juan		Participation Commercial R/E	-	10,000	10,000	9,121
Rod-Van Development - Yauco		Commercial Line of Credit	-	5,000	5,000	16
Las Estancias - Toa Alta		Commercial Line of Credit	-	3,100	3,100	600
Jose M. Ventura		Residential	-	470	470	470
			\$ 7,458	\$ 18,570	\$ 26,028	\$ 17,577

(1) Conventional loan sold.

(2) 17% approximately of the participation in this loan was sold on February 2004 to Doral Bank-NY.

(3) 50% approximately of the participation in this loan was sold on January 2004 to Doral Bank-NY.

DORAL BANK-PR
AGGREGATE LOANS TO ONE BORROWER LIMITS
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

Regulatory Limits of Doral Bank-PR (1):

Unsecured (15%)	\$ 59,806
Secured (collateralized less than 125%; LTV>=80%)	\$ 99,676
Secured (collateralized 125% or more; LTV<80%)	\$ 132,902

BORROWER PROJECT NAME AND LOCATION	BORROWER'S NAME	LOAN TYPE	MAXIMUM AUTHORIZED BALANCE	OUTSTANDING BALANCE
Acquamarina Development Corp. - San Juan	Francisco Pujols	Residential Construction	\$ 34,206	\$ 5,962
Lago Esmeralda Developers, Inc. / Emerald Lake Plantation - Trujillo Alto		Residential Construction	19,500	2,835
Emerald Princess, Inc. - Hato Rey		Bridge Financing	3,695	3,643
Edificio Unica - San Juan		Commercial	2,480	2,409
Lago Esmeralda Developers, Inc. / Emerald Lake Plantation - Trujillo Alto		Bridge Financing	2,035	1,821
Francisco Pujols		Conventional	619	619
Francisco Pujols		Conventional (2)	68	68
			<u>\$ 62,603</u>	<u>\$ 17,357</u>
Los Prados Urbanos, S.E. / Los Prados - Caguas	Ramón Fuentes	Residential Construction (3)	\$ 23,228	\$ 18,814
Los Prados Urbanos, S.E. / Serena - Caguas		Residential Construction	15,000	14,756
Los Prados Urbanos, S.E. / La Reserva - Caguas		Residential Construction	10,500	1,112
Los Prados Urbanos, S.E. / Los Prados - Caguas		Bridge Financing	3,350	3,350
Los Prados Urbanos, S.E. / Los Prados - Caguas		Bridge Financing	3,100	3,100
			<u>\$ 55,178</u>	<u>\$ 41,132</u>
Colinas del Bosque, S.E. / La Colina - Bayamón	Arturo Madero	Residential Construction	\$ 24,500	\$ 24,479
Alturas del Bosque, S.E. / Alturas del Bosque - Río Piedras		Residential Construction	20,200	17,176
Arturo Madero / La Colina - Bayamón		Bridge Financing	955	955
			<u>\$ 45,655</u>	<u>\$ 42,610</u>
Palo Blanco Development / Paseo de la Ceiba - Juncos	Manuel Batlle / A. Rubi/C. Garcia	Residential Construction	\$ 12,500	\$ 11,436
Island Developers, S.E. / Marchiquita - Manati		Residential Construction	10,804	3,644
Ambient Development / Pasos Reales - Aguadilla	M. Batlle / R. Casanova	Residential Construction	8,200	6,215
Desarrollos Membrillos Corp. / La Plazuela - Barceloneta		Residential Construction	6,700	3,642
Estancia de Monte Grande / Monte Grande - Cabo Rojo		Residential Construction	1,296	773
			<u>\$ 39,500</u>	<u>\$ 25,710</u>
Monte Hiedra Office Building - San Juan	Julio E. Vizcarrondo	Commercial	\$ 36,000	\$ 36,000

DORAL BANK-PR
AGGREGATE LOANS TO ONE BORROWER LIMITS (CONT.)
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

Regulatory Limits of Doral Bank-PR (1):

Unsecured (15%)	\$ 59,806
Secured (collateralized less than 125%; LTV>=80%)	\$ 99,676
Secured (collateralized 125% or more; LTV<80%)	\$ 132,902

BORROWER PROJECT NAME AND LOCATION	BORROWER'S NAME	LOAN TYPE	MAXIMUM AUTHORIZED BALANCE	OUTSTANDING BALANCE
HAL Development Corporation / Monte Centro 1 - Carolina	Héctor Torres	Residential Construction	\$ 12,827	\$ 1,994
HAL Development Corporation / Loma Alta - Carolina		Residential Construction	12,206	6,207
Ciudad Centro / Jardines de la Reina - Guayama		Residential Construction	8,643	7,039
Olympic Homes, Inc. / Parques de Jacaranda - Santa Isabel		Residential Construction	922	731
Olympic Homes, Inc. / Portales de Jacaranda - Santa Isabel		Residential Construction	797	689
			<u>\$ 35,395</u>	<u>\$ 16,660</u>
Mora Development Corp. / Paseo Alta Vista - Toa Alta	Cleofe Rubi	Residential Construction (4)	\$ 10,000	\$ 9,927
Santa Paula Apartments - Guaynabo		Commercial	6,800	6,659
E.S. Hotel Isla Verde, S.E.		Commercial	4,500	3,969
Mora Development Corp. / Parque de Las Fuentes Office Building - Río Piedras		Commercial	3,400	3,389
Mora Development Corp. / Valles Del Toa - Toa Alta		Bridge Financing	2,616	2,338
Carolina Industrial, S.E. - Carolina		Commercial	1,615	1,613
Hunter del Caribe - San Juan		Commercial	1,551	1,519
Ruchi Corp. - San Juan		Commercial	300	296
			<u>\$ 30,782</u>	<u>\$ 29,710</u>
Brisas del Monte, S.E. / Brisas del Monte - Bayamón	Nelson Famadas	Residential Construction	\$ 16,300	\$ 3,015
Velomas Corp. / Velomas - Vega Baja		Residential Construction	11,500	10,238
			<u>\$ 27,800</u>	<u>\$ 13,253</u>
TLC Construction & Rental Corp. / Solimar Development - Arroyo	Carlos Barens / L. Morales	Residential Construction	\$ 13,000	\$ 8,830
MCC Developers, Corp. / Valles de Patillas - Patillas		Residential Construction	6,000	3,110
MCC Developers, Corp. / Valles de Arroyo III - Arroyo		Residential Construction	4,522	4,522
MCC Developers, Corp. / Valles de Arroyo IV - Arroyo		Residential Construction	3,500	1,780
			<u>\$ 27,022</u>	<u>\$ 18,242</u>
IJK, Inc. / Balcones de Monte Real - Carolina	Joel Kats	Residential Construction	\$ 12,500	\$ 6,884
Gaudium, Inc. / Hacienda Real - Carolina		Residential Construction (5)	9,714	7,179
			<u>\$ 22,214</u>	<u>\$ 14,063</u>

(1) Includes Doral Money & Doral International

(2) Conventional loan sold.

(3) 17% approximately of the participation on this loan was sold on February 2004 to Doral Bank-NY.

(4) 50% approximately of the participation in this loan was sold on January 2004 to Doral Bank-NY.

(5) 24% approximately of the participation in this loan was sold on January 2004 to Doral Bank-NY.

DORAL BANK-NY
AGGREGATE LOANS TO ONE BORROWER LIMITS
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

Regulatory Limit of Doral Bank-NY (15% of the regulatory total capital)

\$ 7,201

BORROWER (PROJECT NAME)	BORROWER'S NAME	LOAN TYPE	MAXIMUM AUTHORIZED BALANCE	OUTSTANDING BALANCE
Pram / Somerset Realty LLC	Pincus Rand / Alexander Markowits	Bridge Financing	\$ 7,000	\$ 7,000
D&A Equities LLC / Northside Development LLC	Aaron Wexler / Richard Kaminer / David Deutsch	Construction Multifamily	\$ 7,000	\$ 7,000
Fed. Of Jewish CIS 57 Front Street LLC AR Dental Supply Corp.	Jeshayahu Boymelgreen	Multifamily (1) Bridge Financing (2) Small Business LOC	\$ 4,724 2,000 100	\$ 4,724 2,000 94
			\$ 6,824	\$ 6,818
Pioneer Management & Realty LLC	John Sharma	Commercial (3)	\$ 6,700	\$ 6,700
Pleasant Gardens Realty Corp. Chester Gardens Realty LLC	Thomas John	Multifamily (1) Multifamily (4)	\$ 3,776 2,700	\$ 3,776 2,700
			\$ 6,476	\$ 6,476
H&M LLC Nash Properties Olmstead Owners Corp. Manor Lane Vineyards	Mark Misk	Construction (3) Multifamily Multifamily Commercial (5)	\$ 3,900 1,157 729 420	\$ 3,900 1,157 729 420
			\$ 6,206	\$ 6,206
Hicks Street Residence LLC Cheryl Nielsen & Linda Greco E & I's Place 132 Remsen Equities Corp.	Linda Greco Linda Greco / Cheryl Nielsen	Construction 1-4 Family (1) Construction Multifamily (6) Construction 1-4 Family (1) Commercial	\$ 2,954 1,600 1,250 306	\$ 2,421 1,377 1,250 306
			\$ 6,110	\$ 5,354
DWN Management Inc.	Joshua Chein / Rozi Chein / David Chein	Commercial	\$ 6,000	\$ 6,000
East 13th Street Tifereth Place 1544 East 13th Street LLC 1544 East 13th Street LLC	Samuel Rychik	Construction 1-4 Family Construction 1-4 Family Construction 1-4 Family	\$ 3,000 2,131 600	\$ 3,000 828 600
			\$ 5,731	\$ 4,428
The Grand 73 LLC 60 Grand LLC	Abraham Bistrizky / Shamon Rabkin / Mendy Gorodetsky	Construction 1-4 Family Bridge Financing	\$ 4,600 997	\$ 1,016 997
			\$ 5,597	\$ 2,013

(1) Purchased from Doral Money during the second quarter of 2003.

(2) Purchased from Doral Money during the second quarter of 2004.

(3) Purchased from Doral Money during the first quarter of 2004.

(4) Purchased from Doral Money during the fourth quarter of 2004.

(5) Purchased from Doral Money during the first quarter of 2003.

(6) Purchased from Doral Money during the third quarter of 2004.

DORAL FINANCIAL CORPORATION
LOANS OUTSTANDING TO OFFICERS AND DIRECTORS
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

BORROWER NAME	POSITION	LOAN TYPE	ORIGINAL AMOUNT	OUTSTANDING BALANCE
Salomón Levis	Chairman of the Board and CEO	Conventional (1)	\$ 800	\$ 777
		Conventional (1)	500	485
		Visa	25	1
			<u>\$ 1,325</u>	<u>\$ 1,263</u>
Zoila Levis	Director, President and COO	Conventional (1)	\$ 250	\$ 244
		Conventional (1)	156	133
		Conventional (1)	140	98
		Conventional (1)	125	91
		Visa	25	1
		Overdraft Protection	25	-
			<u>\$ 721</u>	<u>\$ 567</u>
Richard F. Bonini	Director	Consumer (2)	<u>\$ 54</u>	<u>\$ 32</u>
Efraim Kier	Director	Construction	\$ 5,138	\$ 5,138
		Conventional (1)	600	498
		Consumer	500	376
		Condominium	366	361
			<u>\$ 6,604</u>	<u>\$ 6,373</u>
Harold D. Vicente	Director	Construction	\$ 667	\$ 641
		Construction	583	575
		Conventional (1)	129	123
			<u>\$ 1,379</u>	<u>\$ 1,339</u>
John B. Hughes	Director	Conventional (1)	<u>\$ 180</u>	<u>\$ 174</u>
John L. Ernst	Director	Conventional	<u>\$ 1,000</u>	<u>\$ 971</u>
David Levis	Director Emeritus	Visa	<u>\$ 25</u>	<u>\$ 1</u>
Mario S. Levis	Senior Executive VP and Treasurer	Conventional (1)	\$ 900	\$ 898
		Visa	25	2
			<u>\$ 925</u>	<u>\$ 900</u>
Ricardo Meléndez	Executive VP and CFO	Conventional (1)	\$ 275	\$ 265
		Conventional	261	257
		Conventional (1)	100	87
		Unsecured Line of Credit	25	7
		Unsecured Line of Credit	2	-
		Visa	1	-
			<u>\$ 664</u>	<u>\$ 616</u>
Edison Vélez	Executive VP	Conventional	\$ 429	\$ 419
		Conventional (1)	267	218
		Conventional (1)	30	26
		Visa	25	2
			<u>\$ 751</u>	<u>\$ 665</u>
Fernando Rivera-Munich	EVP, General Counsel and Assistant Secretary	Unsecured Line of Credit	\$ 35	\$ 20
		Visa	25	23
		Leasing	10	9
			<u>\$ 70</u>	<u>\$ 52</u>
Israel Bravo	Executive VP Information Technology	Visa	<u>\$ 15</u>	<u>\$ 10</u>
Luis Aponte	Senior VP and Corporate Controller	Conventional (1)	\$ 245	\$ 239
		Conventional (1)	174	174
		Consumer	1	-
			<u>\$ 420</u>	<u>\$ 413</u>
Christopher O'Neill	Senior VP - Construction Lending	Visa	\$ 20	\$ 17
		Consumer	20	20
			<u>\$ 40</u>	<u>\$ 37</u>

DORAL FINANCIAL CORPORATION
LOANS OUTSTANDING TO OFFICERS AND DIRECTORS (CONT.)
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

BORROWER NAME	POSITION	LOAN TYPE	ORIGINAL AMOUNT	OUTSTANDING BALANCE
Oscar A. Aponle	VP, Director Internal Audit	Conventional (1)	\$ 200	\$ 189
		Conventional (1)	161	147
			<u>\$ 361</u>	<u>\$ 336</u>
José G. Vigoreaux	President Doral Bank-PR	Visa	\$ 23	\$ -
David R. Levis	President HF Mortgage	Visa	\$ 25	\$ -
		Consumer	15	3
			<u>\$ 40</u>	<u>\$ 3</u>
Raúl H. Menéndez	President Doral Mortgage	Conventional (1)	\$ 243	\$ 235
		Conventional (1)	164	157
		Conventional (1)	137	133
		Conventional (1)	114	107
		Conventional (1)	92	91
		Leasing	65	65
		Conventional (1)	45	39
		Visa	25	8
		Unsecured Line of Credit	25	4
			<u>\$ 910</u>	<u>\$ 839</u>
Angel L. Vázquez	President SANA Mortgage	Conventional (1)	\$ 184	\$ 182
		Conventional (1)	137	134
		Conventional	46	46
		Unsecured Line of Credit	25	8
		Visa	15	2
			<u>\$ 407</u>	<u>\$ 372</u>
Aidiliza Levis	President Centro Hipotecario	Visa	\$ 25	\$ -
Rolando A. Rodríguez	SEVP Chief Lending Officer and Director Doral Bank-PR	Conventional (1)	\$ 662	\$ 649
		Consumer	28	16
		Unsecured Line of Credit	20	-
		Visa	15	-
		Consumer	2	2
			<u>\$ 727</u>	<u>\$ 667</u>
Félix A. Cuadrado	Controller SANA Mortgage	Conventional (1)	\$ 205	\$ 191
		Conventional (1)	35	35
			<u>\$ 240</u>	<u>\$ 226</u>
Lizette Rodríguez	Controller Doral Securities	Consumer	\$ 3	\$ 1
Angel J. Zamora	Officer DFC	Conventional	\$ 275	\$ 275
		Conventional (1)	255	250
			<u>\$ 530</u>	<u>\$ 525</u>
Tomás J. Martínez	Executive VP, Officer Doral Insurance	Conventional (1)	\$ 348	\$ 347
		Conventional	167	167
		Conventional (1)	87	87
		Visa	10	-
			<u>\$ 612</u>	<u>\$ 601</u>
Mayra Rivera de Iglesias	Controller, Doral Bank-PR	Conventional (1)	\$ 216	\$ 188
		Unsecured Line of Credit	20	14
		Visa	10	8
			<u>\$ 246</u>	<u>\$ 210</u>
Tomás Torres	Senior EVP, Doral Bank-PR	Visa	\$ 15	\$ -

(1) Sold servicing retained.

(2) Mr. Richard Bonini figures as the co-signer of six consumer loans amounted to \$53,900.

Note:

Total loans sold servicing retained \$7,691

Total loans company own \$9,502

DORAL FINANCIAL CORPORATION - CONSOLIDATED
QUARTERLY PAST DUE LOAN MIGRATION REPORT
BASED ON ACTUAL AND REGULATORY DELINQUENT DAYS
(DOLLARS IN THOUSANDS)

	RESIDENTIAL MORTGAGE				COMMERCIAL & MULTIFAMILY		CONSTRUCTION & LAND SECURED		CONSUMER & OTHER		TOTAL	
	FHA/VA		CONVENTIONAL		DQ \$	DQ %	DQ \$	DQ %	DQ \$	DQ %	DQ \$	DQ %
	DQ \$	DQ %	DQ \$	DQ %								
AS OF DECEMBER 31, 2004												
Days delinquent:												
30-59 days	\$ 4,164	3.85%	\$ 22,088	1.17%	\$ 5,436	0.92%	\$ 9,831	1.31%	\$ 1,904	2.21%	\$ 43,423	1.27%
60-89 days	2,050	1.89%	11,214	0.60%	3,076	0.52%	7,951	1.06%	1,014	1.17%	25,305	0.74%
90-119 days	1,268	1.17%	3,835	0.20%	3,511	0.60%	977	0.13%	673	0.78%	10,264	0.30%
120-179 days	816	0.75%	10,486	0.56%	2,822	0.48%	372	0.05%	752	0.87%	15,248	0.44%
Over 180 days	8,041	7.43%	49,037	2.60%	12,018	2.03%	16,295	2.17%	32	0.04%	85,423	2.50%
Total	\$ 16,339	15.09%	\$ 96,660	5.13%	\$ 26,863	4.55%	\$ 35,426	4.72%	\$ 4,375	5.07%	\$ 179,663	5.25%
Delinquency regulatory	\$ 12,175	11.24%	\$ 74,572	3.96%	\$ 21,427	3.63%	\$ 25,595	3.41%	\$ 2,471	2.86%	\$ 136,240	3.98%
Over 90 days	\$ 10,125	9.35%	\$ 63,358	3.36%	\$ 18,351	3.11%	\$ 17,644	2.35%	\$ 1,457	1.69%	\$ 110,935	3.24%
Own portfolio	\$ 108,257		\$ 1,884,729		\$ 589,823		\$ 749,650		\$ 86,345		\$ 3,418,804	

AS OF SEPTEMBER 30, 2004

Days delinquent:												
30-59 days	\$ 5,401	5.48%	\$ 32,088	1.48%	\$ 13,151	2.34%	\$ 7,420	1.03%	\$ 2,837	3.61%	\$ 60,897	1.67%
60-89 days	1,847	1.87%	10,505	0.48%	5,479	0.98%	6,717	0.93%	1,214	1.55%	25,762	0.71%
90-119 days	1,219	1.24%	3,888	0.18%	4,499	0.80%	674	0.09%	583	0.74%	10,863	0.30%
120-179 days	879	0.89%	3,887	0.18%	1,188	0.21%	140	0.02%	671	0.85%	6,765	0.19%
Over 180 days	7,945	8.05%	18,821	0.86%	10,981	1.95%	15,881	2.19%	88	0.11%	53,716	1.47%
Total	\$ 17,291	17.53%	\$ 69,189	3.18%	\$ 35,298	6.28%	\$ 30,832	4.26%	\$ 5,393	6.86%	\$ 158,003	4.34%
Delinquency regulatory	\$ 11,890	12.05%	\$ 37,101	1.70%	\$ 22,147	3.94%	\$ 23,412	3.23%	\$ 2,556	3.25%	\$ 97,106	2.67%
Over 90 days	\$ 10,043	10.18%	\$ 26,596	1.22%	\$ 16,668	2.96%	\$ 16,695	2.30%	\$ 1,342	1.70%	\$ 71,344	1.96%
Own portfolio	\$ 98,648		\$ 2,178,019		\$ 562,271		\$ 724,467		\$ 78,585		\$ 3,641,990	

DORAL FINANCIAL CORPORATION - CONSOLIDATED
QUARTERLY PAST DUE LOAN MIGRATION REPORT (CONT.)
BASED ON ACTUAL AND REGULATORY DELINQUENT DAYS
(DOLLARS IN THOUSANDS)

	RESIDENTIAL MORTGAGE				COMMERCIAL & MULTIFAMILY		CONSTRUCTION & LAND SECURED		CONSUMER & OTHER		TOTAL	
	FHA/VA		CONVENTIONAL		DQ \$	DQ %	DQ \$	DQ %	DQ \$	DQ %	DQ \$	DQ %
	DQ \$	DQ %	DQ \$	DQ %								
<u>AS OF JUNE 30, 2004</u>												
Days delinquent:												
30-59 days	\$ 4,168	4.62%	\$ 27,137	1.08%	\$ 16,131	2.90%	\$ 19,534	2.83%	\$ 2,374	3.05%	\$ 69,344	1.77%
60-89 days	2,097	2.32%	9,294	0.37%	10,661	1.92%	138	0.02%	1,012	1.30%	23,202	0.59%
90-119 days	696	0.77%	5,628	0.22%	2,136	0.38%	1,002	0.15%	848	1.09%	10,310	0.26%
120-179 days	1,170	1.30%	10,880	0.43%	4,662	0.84%	581	0.08%	563	0.72%	17,856	0.45%
Over 180 days	8,058	8.92%	76,217	3.03%	10,880	1.96%	17,983	2.61%	-	0.00%	113,138	2.88%
Total	<u>\$ 16,189</u>	<u>17.93%</u>	<u>\$ 129,156</u>	<u>5.13%</u>	<u>\$ 44,470</u>	<u>8.00%</u>	<u>\$ 39,238</u>	<u>5.69%</u>	<u>\$ 4,797</u>	<u>6.16%</u>	<u>\$ 233,850</u>	<u>5.95%</u>
Delinquency regulatory	<u>\$ 12,021</u>	<u>13.31%</u>	<u>\$ 102,019</u>	<u>4.05%</u>	<u>\$ 28,339</u>	<u>5.10%</u>	<u>\$ 19,704</u>	<u>2.86%</u>	<u>\$ 2,423</u>	<u>3.11%</u>	<u>\$ 164,506</u>	<u>4.18%</u>
Over 90 days	<u>\$ 9,924</u>	<u>10.99%</u>	<u>\$ 92,725</u>	<u>3.68%</u>	<u>\$ 17,678</u>	<u>3.18%</u>	<u>\$ 19,566</u>	<u>2.84%</u>	<u>\$ 1,411</u>	<u>1.81%</u>	<u>\$ 141,304</u>	<u>3.59%</u>
Own portfolio	<u>\$ 90,314</u>		<u>\$ 2,517,789</u>		<u>\$ 555,492</u>		<u>\$ 689,876</u>		<u>\$ 77,874</u>		<u>\$ 3,931,345</u>	

AS OF MARCH 31, 2004

Days delinquent:												
30-59 days	\$ 4,373	5.03%	\$ 25,577	1.15%	\$ 7,325	1.54%	\$ 39,386	5.50%	\$ 2,666	3.45%	\$ 79,327	2.22%
60-89 days	1,977	2.27%	9,999	0.45%	7,007	1.47%	10,292	1.44%	985	1.27%	30,260	0.85%
90-119 days	899	1.04%	6,100	0.28%	4,161	0.87%	14,163	1.98%	753	0.97%	26,076	0.73%
120-179 days	1,253	1.44%	10,764	0.48%	1,198	0.25%	911	0.12%	701	0.91%	14,827	0.41%
Over 180 days	8,389	9.65%	74,870	3.37%	9,435	1.98%	6,145	0.86%	2	0.00%	98,841	2.76%
Total	<u>\$ 16,891</u>	<u>19.43%</u>	<u>\$ 127,310</u>	<u>5.73%</u>	<u>\$ 29,126</u>	<u>6.11%</u>	<u>\$ 70,897</u>	<u>9.90%</u>	<u>\$ 5,107</u>	<u>6.60%</u>	<u>\$ 249,331</u>	<u>6.97%</u>
Delinquency regulatory	<u>\$ 12,518</u>	<u>14.40%</u>	<u>\$ 101,733</u>	<u>4.58%</u>	<u>\$ 21,801</u>	<u>4.57%</u>	<u>\$ 31,511</u>	<u>4.40%</u>	<u>\$ 2,441</u>	<u>3.15%</u>	<u>\$ 170,004</u>	<u>4.75%</u>
Over 90 days	<u>\$ 10,541</u>	<u>12.13%</u>	<u>\$ 91,734</u>	<u>4.13%</u>	<u>\$ 14,794</u>	<u>3.10%</u>	<u>\$ 21,219</u>	<u>2.96%</u>	<u>\$ 1,456</u>	<u>1.88%</u>	<u>\$ 139,744</u>	<u>3.90%</u>
Own portfolio	<u>\$ 86,911</u>		<u>\$ 2,221,654</u>		<u>\$ 476,838</u>		<u>\$ 715,767</u>		<u>\$ 77,357</u>		<u>\$ 3,578,527</u>	

DORAL FINANCIAL CORPORATION
QUARTERLY CONSOLIDATING SCHEDULE OF NON-PERFORMING ASSETS
BASED ON ACTUAL DAYS DELINQUENT
(DOLLARS IN THOUSANDS)

	<u>DFC PARENT</u>	<u>DORAL BANK-PR</u>	<u>DORAL BANK-NY</u>	<u>DFC TOTAL</u>
<u>AS OF DECEMBER 31, 2004:</u>				
Loans past due and still accruing	\$ 56,022	\$ -	\$ -	\$ 56,022
Loans past due in non-accrual status	11,405	33,292	91	44,788
Real estate held-for-sale, net	<u>18,027</u>	<u>2,045</u>	<u>-</u>	<u>20,072</u>
Total non-performing assets	<u>\$ 85,454</u>	<u>\$ 35,337</u>	<u>\$ 91</u>	<u>\$ 120,882</u>
FHA/VA loans over 90 days past due and still accruing(1)	<u>\$ 10,056</u>	<u>\$ 69</u>	<u>\$ -</u>	<u>\$ 10,125</u>
FHA/VA claims(2)	<u>\$ 34,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,075</u>
<u>AS OF SEPTEMBER 30, 2004:</u>				
Loans past due and still accruing	\$ 22,872	\$ 2,700	\$ 750	\$ 26,322
Loans past due in non-accrual status	5,582	29,397	-	34,979
Real estate held-for-sale, net	<u>18,831</u>	<u>1,456</u>	<u>-</u>	<u>20,287</u>
Total non-performing assets	<u>\$ 47,285</u>	<u>\$ 33,553</u>	<u>\$ 750</u>	<u>\$ 81,588</u>
FHA/VA loans over 90 days past due and still accruing(1)	<u>\$ 9,974</u>	<u>\$ 69</u>	<u>\$ -</u>	<u>\$ 10,043</u>
FHA/VA claims(2)	<u>\$ 36,920</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,920</u>

DORAL FINANCIAL CORPORATION
QUARTERLY CONSOLIDATING SCHEDULE OF NON-PERFORMING ASSETS (CONT.)
BASED ON ACTUAL DAYS DELINQUENT
(DOLLARS IN THOUSANDS)

	<u>DFC PARENT</u>	<u>DORAL BANK-PR</u>	<u>DORAL BANK-NY</u>	<u>DFC TOTAL</u>
<u>AS OF JUNE 30, 2004:</u>				
Loans past due and still accruing	\$ 66,322	\$ -	\$ -	\$ 66,322
Loans past due in non-accrual status	23,826	41,170	62	65,058
Real estate held-for-sale, net	<u>16,064</u>	<u>1,035</u>	<u>-</u>	<u>17,099</u>
Total non-performing assets	<u>\$ 106,212</u>	<u>\$ 42,205</u>	<u>\$ 62</u>	<u>\$ 148,479</u>
FHA/VA loans over 90 days past due and still accruing(1)	<u>\$ 9,855</u>	<u>\$ 69</u>	<u>\$ -</u>	<u>\$ 9,924</u>
FHA/VA claims(2)	<u>\$ 30,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,535</u>
<u>AS OF MARCH 31, 2004:</u>				
Loans past due and still accruing	\$ 64,954	\$ -	\$ -	\$ 64,954
Loans past due in non-accrual status	23,899	40,288	62	64,249
Real estate held-for-sale, net	<u>16,872</u>	<u>1,692</u>	<u>-</u>	<u>18,564</u>
Total non-performing assets	<u>\$ 105,725</u>	<u>\$ 41,980</u>	<u>\$ 62</u>	<u>\$ 147,767</u>
FHA/VA loans over 90 days past due and still accruing(1)	<u>\$ 10,472</u>	<u>\$ 69</u>	<u>\$ -</u>	<u>\$ 10,541</u>
FHA/VA claims(2)	<u>\$ 26,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,791</u>

(1) 90 days past due FHA/VA loans, which are not considered non-performing assets by Doral Financial because the principal balance of these loans is insured or guaranteed by Housing Urban Development ("HUD") and interest is, in most cases, fully recovered in foreclosure procedures.

(2) The inventory of FHA/VA claims is evaluated for submission to HUD on a case-by-case basis, based on such evaluation some cases are claimed while others could be transferred to real estate held-for-sale.

DORAL FINANCIAL CORPORATION
MATERIAL DELINQUENT AND IMPAIRED LOANS IN PORTFOLIO
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

BORROWER (PROJECT NAME)	LOAN TYPE	DAYS DELINQUENT	OUTSTANDING BALANCE				RESERVE % OF LOB
			MORTGAGE				
			BANKING	BANKING			
			DFC	DBPR (1)	DBNY	RESERVE	
Material Delinquent:							
CAO Holding, Inc.	Commercial real estate	92	\$ -	\$ 1,849	\$ -	\$ 18	1%
Pedro Ramon Luna (2)	Conventional	301	\$ 1,396	\$ -	\$ -	\$ 70	5%
Cunari, Inc. Medical Service (2)	Commercial real estate	1,116	\$ 1,300	\$ -	\$ -	\$ 65	5%
Temple Samuel Or Olom, Inc	Commercial real estate	122	\$ -	\$ 1,267	\$ -	\$ 13	1%
Mario J. González Ramos	Commercial real estate	92	\$ -	\$ 812	\$ -	\$ 81	10%
Orlando Fernández Fundora (2)	Commercial real estate	123	\$ 610	\$ -	\$ -	\$ 6	1%
Pedro Figueroa Carrasquillo	Commercial real estate	366	\$ -	\$ 524	\$ -	\$ 131	25%
Carlos Caez Rodriguez	Commercial real estate	275	\$ -	\$ 510	\$ -	\$ 128	25%
William Calo & Associates	Commercial real estate	92	\$ -	\$ 500	\$ -	\$ 25	5%

BORROWER (PROJECT NAME)	LOAN TYPE	DAYS DELINQUENT	OUTSTANDING BALANCE				RESERVE % OF LOB
			MORTGAGE	BANKING		SPECIFIC RESERVE	
			BANKING DFC	DBPR (1)	DBNY		
Impaired Loans:							
Desarrollos Casabella, Inc.	Interim loan	396	\$ -	\$ 13,483	\$ -	\$ 3,415	25%
M.O.R.P. Development, Corp (2)	Interim loan	0	-	6,281	-	-	0%
Windgate S.E. (2)	Interim loan	0	-	5,264	-	2,500	47%
Desarrolladora Valladares, Inc. (2)	Interim loan	61	-	4,551	-	-	0%
M.B. Joma, Inc	Interim loan	1,055	1,199	-	-	500	42%
Rambla de las Flores Dev., S.E. (2)	Interim loan	0	400	-	-	354	89%
Hacienda Marisol, Inc.	Interim loan	1,458	350	-	-	350	100%
			\$ 1,949	\$ 29,579	\$ -	\$ 7,119	

Note: This report includes 90 days or more material delinquent and impaired loans in the construction and commercial portfolio.

(a) Material loan = outstanding balance of \$500,000 or more.

(b) According to the SFAS 114 a loan is impaired when, based on current information and events, it is probable that a creditor will be unable to collect all amounts due according to the contractual terms of the loan agreement. All amounts due according to the contractual terms means that both the contractual interest payments and contractual principal payments will be collected as scheduled in the loan agreement.

(1) Includes Doral Money and Doral International

(2) Still accruing interests

DORAL FINANCIAL CORPORATION
QUARTERLY ASSET QUALITY DATA COMPOSITION
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	DFC PARENT	DORAL BANK CONSOLIDATED	DORAL BANK-NY	DFC TOTAL
Substandard:				
Construction loans	\$ 1,642	\$ 19,800	\$ -	\$ 21,442
Residential mortgage	42,026	7,916	91	50,033
Commercial real estate	6,188	8,219	-	14,407
Consumer-secured by mortgage	-	38	-	38
Commercial non-real estate	-	202	-	202
Land	-	238	-	238
Consumer-other	-	2,725	-	2,725
Loans on savings deposits	-	-	-	-
Lease financing receivables	-	-	-	-
Real estate held-for-sale, net	18,027	2,045	-	20,072
Total substandard	67,883	41,183	91	109,157
Doubtful:				
Construction loans	750	-	-	750
Residential mortgage	-	98	-	98
Commercial real estate	-	315	-	315
Consumer-secured by mortgage	-	-	-	-
Commercial non-real estate	-	286	-	286
Land	-	-	-	-
Consumer-other	-	798	-	798
Loans on savings deposits	-	-	-	-
Lease financing receivables	-	-	-	-
Total doubtful	750	1,497	-	2,247
Loss:				
Construction loans	-	-	-	-
Residential mortgage	-	-	-	-
Commercial real estate	-	-	-	-
Consumer-secured by mortgage	-	-	-	-
Commercial non-real estate	-	142	-	142
Land	-	-	-	-
Consumer-other	-	48	-	48
Loans on savings deposits	-	-	-	-
Lease financing receivables	-	-	-	-
Total loss	-	190	-	190
Total classifications	\$ 68,633	\$ 42,870	\$ 91	\$ 111,594

Note: Substandard loans are either self-classified or over 90 days past due loans with a current loan-to-value ratio greater than 60%. Also excludes FHA/VA and Farmers Home guaranteed loans, which are not considered to be substandard due to such guarantees.

DORAL FINANCIAL CORPORATIONALLOWANCE FOR LOAN LOSSES
(DOLLARS IN THOUSANDS)

	QUARTER ENDED DECEMBER 31,		YEAR ENDED DECEMBER 31,	
	2004	2003	2004	2003
Balance at beginning of period	\$ 28,575	\$ 27,384	\$ 28,211	\$ 18,243
Provision for loan losses	1,009	2,776	5,507	14,085
Charge-offs:				
Mortgage loans held-for-sale	(6)	(389)	(392)	(426)
Construction loans	-	(699)	(831)	(699)
Residential mortgage loans	-	-	(20)	(13)
Commercial real estate loans	-	-	-	-
Consumer loans	(674)	(686)	(2,521)	(2,956)
Commercial non-real estate loans	(283)	(252)	(723)	(417)
Other	-	-	-	-
Total charge-offs	(963)	(2,026)	(4,487)	(4,511)
Recoveries:				
Mortgage loans held-for-sale	8	-	89	-
Construction loans	50	2	100	2
Residential mortgage loans	-	-	-	-
Commercial real estate loans	-	-	-	-
Consumer loans	37	71	202	234
Commercial non-real estate loans	2	-	45	8
Other	-	-	-	-
Total recoveries	97	73	436	244
Net charge-offs	(866)	(1,953)	(4,051)	(4,267)
Other adjustments	(317)	4	(1,266)	150
Balance at end of period (1)	\$ 28,401	\$ 28,211	\$ 28,401	\$ 28,211
Allowance for loan losses as a percentage of total loans outstanding at end of period	0.85%	0.83%	0.85%	0.83%
Net charge-offs to average loans outstanding	0.03%	0.06%	0.12%	0.13%

(1) Includes the allowance for mortgage loans held-for-sale of \$7.7 million for 2004 and \$8.5 million for 2003, and the allowance for loans receivable held for investment of \$20.7 million for 2004 and \$19.7 million for 2003.

DORAL FINANCIAL CORPORATION
ALLOCATION OF ALLOWANCE FOR LOAN LOSSES
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

<u>LOAN CATEGORY</u>	<u>AMOUNT</u>
Mortgage loans held-for-sale	\$ 7,655
Loans receivable:	
Construction	12,371
Residential mortgage loans	974
Commercial real estate	4,048
Lease financing receivables	150
Commercial non-real estate	599
Consumer	2,023
Land secured	581
Total	<u>\$ 28,401</u>

DORAL FINANCIAL CORPORATION
RETAINED INTEREST INFORMATION
MORTGAGE SERVICING RIGHTS ("MSRs")
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

<u>Reconciliation:</u>	CURRENT MONTH		QUARTER-TO-DATE		YEAR-TO-DATE	
	MSRs	Servicing Portfolio	MSRs	Servicing Portfolio	MSRs	Servicing Portfolio
Balance at beginning of period	\$ 194,599	\$ 11,640,833	\$ 200,226	\$ 11,349,638	\$ 178,890	\$ 10,145,379
MSRs additions	19,801		22,189		71,448	
Amortization	(3,253)		(8,520)		(28,651)	
Application of valuation allowance to write down permanently impaired MSRs	-		(2,748)		(10,540)	
Balance at end of period	211,147	12,335,296	211,147	12,335,296	211,147	12,335,296
Valuation allowance for impairment	(7,902)		(7,902)		(7,902)	
Mortgage servicing rights, net	\$ 203,245		\$ 203,245		\$ 203,245	
Own portfolio		1,929,071		1,929,071		1,929,071
Total servicing portfolio		\$ 14,264,367		\$ 14,264,367		\$ 14,264,367
	Average Balance	Useful Life in years	Average Balance	Useful Life in years	Average Balance	Useful Life in years
MSRs net of amortization (1)	\$ 205,358	5.36	\$ 202,803	6.00	\$ 191,069	6.67
MSRs gross of amortization	\$ 295,050	7.70	\$ 289,914	8.58	\$ 267,850	9.35

(1) Excludes valuation allowance for impairment

DORAL FINANCIAL CORPORATION

RETAINED INTEREST INFORMATION (CONT.)

INTEREST-ONLY STRIPS ("IOs")

AS OF DECEMBER 31, 2004

(DOLLARS IN THOUSANDS)

Reconciliation:	CURRENT MONTH		QUARTER- TO-DATE		YEAR-TO- DATE	
IOs at beginning of period	\$	914,535	\$	862,566	\$	578,124
IOs on loan sales, net of reverses		70,820		141,845		509,349
Purchases of IOs		-		-		23,816
Scheduled amortization		(9,145)		(28,201)		(101,550)
Valuation adjustment		(97,478)		(97,478)		(131,007)
Balance at end of period	\$	<u>878,732</u>	\$	<u>878,732</u>	\$	<u>878,732</u>

	CURRENT MONTH		QUARTER- TO-DATE		YEAR-TO- DATE	
	Cash Inflows	Effective Yield	Cash Inflows	Effective Yield	Cash Inflows	Effective Yield
Total cash inflows from IOs	\$ 14,813	18.13%	\$ 42,872	18.36%	\$ 157,118	20.37%
IOs amortization	(9,145)	-11.19%	(28,201)	-12.08%	(101,550)	-13.16%
Net IOs cash inflow recorded as interest income	<u>\$ 5,668</u>	<u>6.94%</u>	<u>\$ 14,671</u>	<u>6.28%</u>	<u>\$ 55,568</u>	<u>7.21%</u>

	Average Balance	Useful Life in years	Average Balance	Useful Life in years	Average Balance	Useful Life in years
IOs net of amortization (1)	<u>\$ 961,882</u>	<u>8.93</u>	<u>\$ 926,249</u>	<u>8.28</u>	<u>\$ 771,133</u>	<u>7.59</u>
IOs gross of amortization	<u>\$ 1,215,936</u>	<u>11.29</u>	<u>\$ 1,173,448</u>	<u>10.49</u>	<u>\$ 982,267</u>	<u>9.67</u>

(1) Excludes valuation account

DORAL FINANCIAL CORPORATION
INTEREST ONLY STRIP ("IOs") VALUATION ANALYSIS
(DOLLARS IN THOUSANDS)

DATE	NOTIONAL AMOUNT DATA				IOs PER BOOKS	INTERNAL VALUATION				EXTERNAL VALUATIONS	
	OUTSTANDING PRINCIPAL BALANCE	COUPON	PASS THROUGH + SERVICING FEES	SPREAD		VALUATION	PSA	DISCOUNT RATE	WARM	MORGAN STANLEY	POPULAR SECURITIES
Feb-04	\$ 4,931,316	7.5056%	4.4789%	3.0267%	\$ 644,780	\$ 630,420	260	9.00%	255	\$ 661,723	\$ 646,983
May-04	\$ 5,439,970	7.3246%	4.3267%	2.9979%	\$ 741,493	\$ 735,512	220	9.00%	259	\$ 753,515	\$ 738,594
Aug-04	\$ 5,884,980	7.2277%	4.4314%	2.7963%	\$ 834,810	\$ 830,528	175	8.25%	262	\$ 844,074	\$ 835,934
Sep-04	\$ 6,149,327	7.1725%	4.3934%	2.7791%	\$ 871,472 (1)	\$ 862,566	175	8.25%	261	(2)	(2)
Nov-04	\$ 6,463,887	7.1007%	4.5684%	2.5323%	\$ 914,535	\$ 914,535	201	8.25%	262	\$ 938,721	\$ 932,533
Dec-04	\$ 7,000,430	7.0189%	4.8611%	2.1578%	\$ 976,210 (1)	\$ 878,732	135	7.63%	264	(2)	(2)

(1) The amount presented for September and December is the IOs balance per books before recorded impairments of \$8.6 million and \$97.5 million, respectively. The impairments were recorded in the trading account.

(2) In accordance with the policy the external valuations are prepared on quarterly basis only for February, May, August and November.

DORAL FINANCIAL CORPORATION
CONTRACTUAL OBLIGATIONS
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

CONTRACTUAL MATURITY:	PAYMENT DUE BY PERIOD				
	TOTAL	LESS THAN 1 YEAR	1-3 YEARS	3-5 YEARS	AFTER 5 YEARS
Deposits	\$ 3,643,080	\$ 2,470,099	\$ 782,634	\$ 375,306	\$ 15,041
Repurchase and warehousing lines of credit	6,584,723	4,192,420	270,000	669,518	1,452,785
Advances from FHLB	1,294,500	375,000	117,000	125,000	677,500
Notes payable	1,105,202	130,354	720,085	1,770	252,993
Total	<u>\$ 12,627,505</u>	<u>\$ 7,167,873</u>	<u>\$ 1,889,719</u>	<u>\$ 1,171,594</u>	<u>\$ 2,398,319</u>

EARLIER OF CONTRACTUAL MATURITY
OR FIRST CALL DATE:

Deposits	\$ 3,643,080	\$ 2,470,099	\$ 782,634	\$ 375,306	\$ 15,041
Repurchase and warehousing lines of credit	6,584,723	5,419,923	970,000	194,800	-
Advances from FHLB	1,294,500	647,500	547,000	100,000	-
Notes payable	1,105,202	130,354	720,085	1,770	252,993
Total	<u>\$ 12,627,505</u>	<u>\$ 8,667,876</u>	<u>\$ 3,019,719</u>	<u>\$ 671,876</u>	<u>\$ 268,034</u>

DORAL FINANCIAL CORPORATION

DEPOSITS INFORMATION

AS OF DECEMBER 31, 2004

(DOLLARS IN THOUSANDS)

DEPOSIT BALANCE:	BALANCE	AVERAGE RATE
Certificates of deposits	\$ 1,983,271	3.21%
Regular passbook savings	474,271	2.29%
NOW accounts	726,178	2.12%
Non-interest bearing	459,360	-
Total deposits	<u>\$ 3,643,080</u>	<u>2.47%</u>

BROKERED CERTIFICATES OF DEPOSITS MATURITIES:

Due in one year or less	\$ 289,605
Due in two years	360,788
Due in three years	313,900
Due in four years	195,369
Due in five years	116,458
Due in more than five years	14,272
Total	<u>\$ 1,290,392</u>
% of total deposits	<u>35.42%</u>
% of certificates of deposits	<u>65.06%</u>

CERTIFICATES OF DEPOSITS CURRENT MONTH RATES

MATURITY	DBPR		DBNY	
	INTEREST RATE	APY (1)	INTEREST RATE	APY (1)
30 days	1.45%	1.46%	- *	- *
60 days	1.55%	1.56%	- *	- *
90 days	1.65%	1.66%	1.49%	1.50%
120 days	1.75%	1.76%	- *	- *
180 days	2.00%	2.02%	2.23%	2.25%
270 days	2.00%	2.02%	- *	- *
1 year	2.50%	2.53%	2.37%	2.40%
1 1/2 year	- *	- *	3.20%	3.25%
2 years	2.75%	2.78%	3.20%	3.25%
2 1/2 years	3.25%	3.30%	3.20%	3.25%
3 years	3.35%	3.40%	3.44%	3.50%
4 years	3.65%	3.71%	4.16%	4.25%
5 years	4.00%	4.07%	4.26%	4.35%

(1) Annual Percentage Yield

* Not offered by the bank

DORAL FINANCIAL CORPORATION

AVAILABLE LINES OF CREDIT

AS OF DECEMBER 31, 2004

(DOLLARS IN THOUSANDS)

LENDERS	CREDIT LINES	TYPE OF LINE	OUTSTANDING BALANCE	REMAINING BALANCE
Banco Popular	\$ 25,000	REPO	\$ -	\$ 25,000
Banco Popular (1)	50,000	WHS-CONSTR.	-	50,000
Banco Santander (1)	60,000	WHS	44,652	15,348
Bear Stearns (1)	100,000	WHS	-	100,000
Bear Stearns (1)	450,000	REPO	100,938	349,062
Citibank-PR (1)	100,000	WHS	-	100,000
Citibank-US (1)	500,000	REPO	300,000	200,000
Conservation Trust (1)	20,000	REPO	20,000	-
Country Wide Home (1)	200,000	WHS	200,000	-
Country Wide Home (1)	1,500,000	REPO	1,097,124	402,876
Deutsche Bank (1)	55,000	SL	-	55,000
Fimat	1,000,000	REPO	-	1,000,000
First Bank (1)	50,000	UNSECURED	-	50,000
First Bank (1)	50,000	WHS	34,908	15,092
First Boston	700,000	REPO	631,693	68,307
Wachovia (formerly First Union)	150,000	REPO	-	150,000
Fortis Securities	100,000	REPO	-	100,000
G.D.B. (1)	100,000	WHS	-	100,000
Goldman Sachs	250,000	REPO	-	250,000
Lehman Brothers	300,000	REPO	190,054	109,946
Merck Sharp & Dohme	30,000	REPO	-	30,000
Merrill Lynch	1,500,000	REPO	1,320,259	179,741
Merrill Lynch (1)(2)	300,000	WHS	-	300,000
Morgan Stanley (1)	1,500,000	REPO	1,103,425	396,575
UBS (formerly Paine Webber)	300,000	REPO	4,102	295,898
Popular Securities	300,000	REPO	203,786	96,214
Wachovia Securities (formerly Prudential Securities)	500,000	REPO	390,041	109,959
Scotiabank (1)	20,000	WHS	-	20,000
Facilities available to Doral Securities	2,286,600	REPO	97,117	2,189,483
Facilities available to Doral Bank-NY	264,374	REPO (3)	123,450	140,924
Facilities available to Doral Bank-PR	2,076,224	REPO (3)	2,017,674	58,550
Total	\$ 14,837,198		\$ 7,879,223	\$ 6,957,975

(1) Committed lines \$4.9 billion approximately

(2) \$100 million of line committed

(3) Includes line of credit available for Advances from FHLB.

DORAL FINANCIAL CORPORATION
CONSOLIDATED MORTGAGE LOAN SERVICING PORTFOLIO DATA
PORTFOLIO STATISTICS AND PREPAYMENTS
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

PORTFOLIO STATISTICS - PUERTO RICO AND US

	NUMBER OF LOANS	OUTSTANDING BALANCE	WAC	WARM
INVESTOR:				
GNMA	33,869	\$ 2,451,039	6.7400%	291
FNMA	27,509	2,836,172	6.1900%	258
FHLMC	11,481	783,812	6.0500%	181
FFCC Mortgage Trusts	516	12,999	8.1900%	108
Own portfolio, Doral Bank-PR	8,009	1,228,038	6.0100%	251
Own portfolio, Doral Bank-NY	21	2,662	6.7800%	280
Banco Popular	13,083	659,241	8.2600%	233
Banco Santander	7,179	770,200	6.5300%	280
Oriental Bank	6,011	571,263	6.8800%	263
Banco Bilbao Vizcaya	493	9,425	9.1400%	85
Western Bank	7,868	598,453	7.6000%	264
First Bank	33,817	3,056,525	7.1400%	263
Other investors	149	4,006	8.5700%	90
Banco Cooperativo	139	7,351	9.3700%	122
Own portfolio, Parent company	5,834	507,647	7.0600%	278
Tax free PR fund (UBS)	1,139	66,121	7.5300%	259
Tax free PR fund (Banco Santander)	433	29,738	7.1400%	290
Mass Mutual	1,889	148,146	7.6600%	295
First Alliance Bank	344	27,277	7.8600%	312
UBS Assets Managers of PR	795	62,417	8.8200%	199
R&G	973	198,975	6.2300%	248
Subtotal - Puerto Rico	161,551	14,031,507	6.7500%	261
FHLMC	363	28,365	6.9035%	248
Participations	7	5,408	7.2500%	40
Country Wide	97	8,363	8.0200%	304
Own portfolio, Doral International	21	60,612	7.4100%	18
Own portfolio, Doral Money	10	4,099	6.6100%	43
Own portfolio, Doral Bank-NY	147	126,013	7.0029%	62
Subtotal - US	645	232,860	7.1321%	81
Total portfolio	162,196	\$ 14,264,367	6.7562%	258

PORTFOLIO PREPAYMENTS - PUERTO RICO AND US

	CURRENT MONTH		YEAR-TO-DATE	
	#	\$	#	\$
FROM:				
HF Mortgage	458	\$ 44,561	4,049	\$ 391,836
Doral Mortgage	892	78,293	10,144	865,611
R-G Mortgage	203	17,806	2,158	167,859
Banco Popular	123	11,708	1,230	127,586
Oriental Bank	51	4,622	630	56,697
Banco Santander	59	5,917	665	73,508
Individuals	295	13,467	3,361	155,764
Other	383	31,929	4,200	377,169
Subtotal - Puerto Rico	2,464	\$ 208,303	26,437	\$ 2,216,030
Portfolio Country Wide	4	\$ 602	65	\$ 6,822
Portfolio Other	13	2,718	289	110,169
Subtotal - US	17	\$ 3,320	354	\$ 116,991
Total prepayments	2,481	\$ 211,623	26,791	\$ 2,333,021

DORAL FINANCIAL CORPORATION
CONSOLIDATED MORTGAGE LOAN SERVICING PORTFOLIO DATA (CONT.)
DELINQUENCY INFORMATION
AS OF DECEMBER 31, 2004

INVESTOR	IN NUMBER OF LOANS				
	30 DAYS	60-89	90 & OVER	FORE.	TOTAL
GNMA	4.46%	1.25%	0.73%	0.39%	6.83%
FNMA	1.58%	0.42%	0.51%	0.43%	2.94%
FHLMC	1.25%	0.31%	0.46%	0.51%	2.53%
FFCC Mortgage Trusts	6.98%	1.36%	0.97%	0.19%	9.50%
Own portfolio, Doral Bank-PR	1.05%	0.36%	0.48%	0.42%	2.31%
Own portfolio, Doral Bank-NY	0.00%	0.00%	0.00%	4.76%	4.76%
Banco Popular	6.41%	2.13%	3.04%	2.90%	14.48%
Banco Santander	3.79%	0.87%	0.61%	0.43%	5.70%
Oriental Bank	3.46%	1.30%	2.34%	3.36%	10.46%
Banco Bilbao Vizcaya	6.90%	0.40%	2.03%	2.03%	11.36%
Western Bank	5.15%	1.70%	0.69%	0.23%	7.77%
First Bank	4.25%	1.20%	0.76%	0.13%	6.34%
Other investors	3.36%	2.01%	0.67%	0.00%	6.04%
Banco Cooperativo	5.03%	1.44%	2.88%	2.88%	12.23%
Own portfolio, Parent company	3.69%	1.90%	6.46%	10.85%	22.90%
Tax free PR fund (UBS)	9.83%	4.65%	26.87%	23.79%	65.14% (1)
Tax free PR fund (Banco Santander)	9.47%	3.92%	31.18%	26.56%	71.13% (1)
Mass Mutual	18.74%	10.32%	19.64%	17.95%	66.65% (1)
First Alliance Bank	3.20%	1.45%	39.54%	42.44%	86.63% (1)
UBS Assets Managers of PR	1.01%	1.13%	43.52%	49.56%	95.22% (2)
R&G	1.64%	0.00%	0.00%	0.00%	1.64%
Subtotal - Puerto Rico	3.82%	1.22%	1.90%	1.81%	8.75%
FHLMC	6.06%	0.83%	2.20%	0.00%	9.09%
Participations	0.00%	0.00%	0.00%	0.00%	0.00%
Country Wide	9.28%	2.06%	2.06%	2.06%	15.46%
Own portfolio, Doral International	0.00%	0.00%	0.00%	0.00%	0.00%
Own portfolio, Doral Money	0.00%	0.00%	40.00%	0.00%	40.00%
Own portfolio, Doral Bank-NY	2.04%	0.68%	0.68%	0.00%	3.40%
Subtotal - US	5.27%	0.93%	2.33%	0.31%	8.84%
Total portfolio delinquency - Dec 2004	3.83%	1.22%	1.90%	1.81%	8.76%
Total portfolio delinquency - Sep 2004	4.97%	1.52%	2.13%	1.86%	10.48%

INVESTOR	IN LOAN BALANCE				
	30 DAYS	60-89	90 & OVER	FORE.	TOTAL
GNMA	4.50%	1.33%	0.81%	0.45%	7.09%
FNMA	1.24%	0.34%	0.42%	0.37%	2.37%
FHLMC	1.04%	0.25%	0.44%	0.57%	2.30%
FFCC Mortgage Trusts	7.90%	2.20%	1.05%	0.44%	11.59%
Own portfolio, Doral Bank-PR	1.27%	0.28%	0.55%	0.38%	2.48%
Own portfolio, Doral Bank-NY	0.00%	0.00%	0.00%	3.42%	3.42%
Banco Popular	6.34%	2.09%	3.11%	3.35%	14.89%
Banco Santander	2.25%	0.55%	0.42%	0.27%	3.49%
Oriental Bank	2.97%	1.37%	2.08%	3.01%	9.43%
Banco Bilbao Vizcaya	7.19%	0.25%	3.23%	3.37%	14.04%
Western Bank	4.87%	1.47%	0.59%	0.17%	7.10%
First Bank	3.60%	1.10%	0.78%	0.14%	5.62%
Other investors	3.73%	3.56%	0.46%	0.00%	7.75%
Banco Cooperativo	3.49%	1.14%	3.44%	4.50%	12.57%
Own portfolio, Parent company	3.41%	1.34%	4.75%	10.13%	19.63%
Tax free PR fund (UBS)	8.58%	4.20%	27.94%	26.30%	67.02% (1)
Tax free PR fund (Banco Santander)	9.43%	3.75%	30.37%	28.42%	71.97% (1)
Mass Mutual	17.90%	10.08%	19.90%	19.74%	67.62% (1)
First Alliance Bank	2.92%	1.77%	37.15%	45.88%	87.72% (1)
UBS Assets Managers of PR	1.22%	1.12%	37.35%	54.93%	94.62% (2)
R&G	0.99%	0.00%	0.00%	0.00%	0.99%
Subtotal - Puerto Rico	3.15%	1.02%	1.57%	1.65%	7.39%
FHLMC	5.65%	0.85%	2.61%	0.00%	9.11%
Participations	0.00%	0.00%	0.00%	0.00%	0.00%
Country Wide	11.33%	2.01%	4.12%	3.20%	20.66%
Own portfolio, Doral International	0.00%	0.00%	0.00%	0.00%	0.00%
Own portfolio, Doral Money	0.00%	0.00%	7.66%	0.00%	7.66%
Own portfolio, Doral Bank-NY	0.38%	0.02%	0.07%	0.00%	0.47%
Subtotal - US	1.30%	0.19%	0.64%	0.11%	2.24%
Total portfolio delinquency - Dec 2004	3.12%	1.01%	1.55%	1.62%	7.30%
Total portfolio delinquency - Sep 2004	4.07%	1.27%	1.73%	1.70%	8.77%

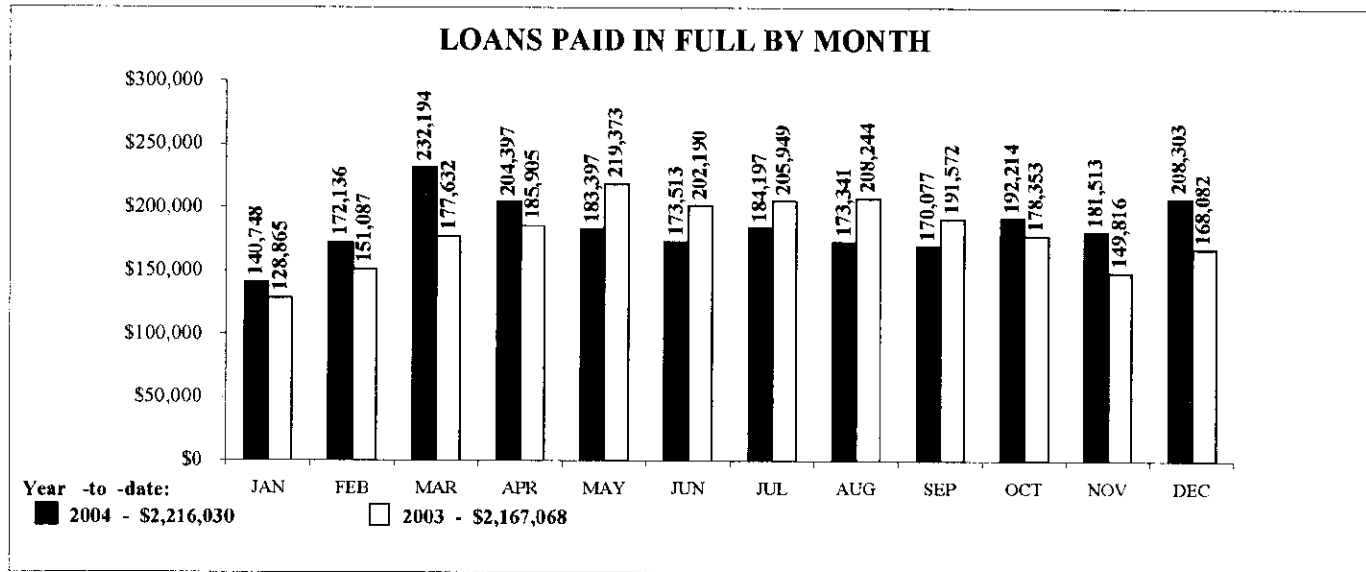
(1) Portfolio of insured FHA/VA delinquent loans sold to a third party

(2) Portfolio of delinquent conventional residential mortgage loans sold to third party

DORAL FINANCIAL CORPORATION**PREPAYMENT CHART***

AS OF DECEMBER 31, 2004

(DOLLARS IN THOUSANDS)



* Puerto Rico only.

DORAL FINANCIAL CORPORATION
SUMMARY OF RECOURSE EXPOSURE
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	OUTSTANDING BALANCE	FULL RECOURSE (c, d, f, h, j, l, m, and n)	6% LIMIT (g)	7% LIMIT (k)	10% LIMIT (a)	15% LIMIT (b)	4% LIMIT (i)	OTHER LIMIT (e)	TOTAL EXPOSURE
FNMA	\$ 716,300	\$ 569,261	\$ 12,853	\$ 9,177	\$ -	\$ -	\$ 3,530	\$ -	\$ 594,821
FHLMC	70,744	70,744	-	-	-	-	-	-	70,744
Non-conforming	3,143,995	2,459,889	-	-	55,807	131,627	-	2,572	2,649,895
Total	<u>\$ 3,931,039</u>	<u>\$ 3,099,894</u>	<u>\$ 12,853</u>	<u>\$ 9,177</u>	<u>\$ 55,807</u>	<u>\$ 131,627</u>	<u>\$ 3,530</u>	<u>\$ 2,572</u>	<u>\$ 3,315,460</u>

(a) Repurchase all loans over 90 days delinquent up to 10% of the aggregate amount of the commitment (BPPR, BBVA & Banco Santander)

(b) Repurchase all loans over 120 days delinquent up to 15% of the aggregate amount of the commitment (Westernbank)

(c) Repurchase all loans over 120 days delinquent (Westernbank & FNMA)

(d) 100% of outstanding aggregate balance (FHLMC, FNMA, UBS & Banco Bilbao Vizcaya)

(e) Repurchase all loans over 90 days delinquent up to \$5.0 million (Banco Cooperativo)

(f) Repurchase all loans over 120 days delinquent for 2 years (First Bank)

(g) Repurchase all loans over 120 days delinquent up to 6% of the aggregate amount of the commitment (FNMA)

(h) Repurchase all loans over 120 days for 3 years (FNMA)

(i) Repurchase all loans over 120 days delinquent up to 4% of pool face value for 10 years (FNMA)

(j) Prepayment substitution required for first 4 years (First PR Tax Free Fund - 2001)

(k) Limited recourse obligation of up to 7% of the face amount up to \$8.3 million for 10 years (FNMA)

(l) Prepayment substitution required for first 7 years (First PR Tax Free Fund - 2002)

(m) Repurchase loans 90 days delinquent (First Bank)

(n) Repurchase loans 120 days delinquent for 5 years (FNMA)

DORAL BANK-PR
REGULATORY CAPITAL POSITION
(DOLLARS IN THOUSANDS)

	<u>Actual</u>		<u>For Capital Adequacy Purposes</u>		<u>Over/ (Under) Capital Requirement</u>	
	<u>Amount (\$)</u>	<u>Ratio (%)</u>	<u>Amount (\$)</u>	<u>Ratio (%)</u>	<u>Amount (\$)</u>	<u>Ratio (%)</u>
<u>As of December 31, 2004</u>						
Total capital ratio (1)	\$ 647,146	22.1%	\$ 234,111	8.0%	\$ 413,035	14.1%
Tier 1 capital ratio (2)	627,046	21.4	117,055	4.0	509,991	17.4
Tier 1 leverage ratio (3)	627,046	5.7	437,812	4.0	189,234	1.7
<u>As of September 30, 2004</u>						
Total capital ratio	611,921	20.9	234,643	8.0	377,278	12.9
Tier 1 capital ratio	590,704	20.1	117,322	4.0	473,382	16.1
Tier 1 leverage ratio	590,704	6.2	383,155	4.0	207,549	2.2
<u>As of June 30, 2004</u>						
Total capital ratio	562,759	19.4	231,943	8.0	330,816	11.4
Tier 1 capital ratio	542,700	18.7	115,972	4.0	426,728	14.7
Tier 1 leverage ratio	542,700	6.5	333,660	4.0	209,040	2.5
<u>As of March 31, 2004</u>						
Total capital ratio	523,035	19.5	214,154	8.0	308,881	11.5
Tier 1 capital ratio	504,256	18.8	107,077	4.0	397,179	14.8
Tier 1 leverage ratio	504,256	7.1	282,877	4.0	221,379	3.1

Capital Reconciliation:

	<u>Dec-04</u>	<u>Sep-04</u>	<u>Jun-04</u>	<u>Mar-04</u>
Total stockholders' equity as per books	\$ 552,217	\$ 523,585	\$ 444,284	\$ 489,565
Add: Unrealized loss (gain) on AFS securities	74,875	67,165	98,462	14,773
Less: Goodwill and all other identifiable intangibles	(46)	(46)	(46)	(46)
Unallowed portion of servicing assets	-	-	-	(36)
Tier 1 capital	<u>\$ 627,046</u>	<u>\$ 590,704</u>	<u>\$ 542,700</u>	<u>\$ 504,256</u>
<u>Tier 2 capital:</u>				
Allowance for loan losses	20,100	21,217	20,059	18,779
Total capital	<u>\$ 647,146</u>	<u>\$ 611,921</u>	<u>\$ 562,759</u>	<u>\$ 523,035</u>
Average total assets	<u>\$ 10,945,310</u>	<u>\$ 9,578,887</u>	<u>\$ 8,341,508</u>	<u>\$ 7,071,919</u>
Total risk-weighted assets	<u>\$ 2,926,384</u>	<u>\$ 2,933,038</u>	<u>\$ 2,899,290</u>	<u>\$ 2,676,927</u>

- (1) Total capital to risk-weighted assets
(2) Tier 1 capital to risk-weighted assets
(3) Tier 1 capital to average total assets

DORAL BANK-NY
REGULATORY CAPITAL POSITION
(DOLLARS IN THOUSANDS)

	<u>Actual</u>		<u>For Capital</u>		<u>(Over/ (Under)</u>	
	<u>Amount (\$)</u>	<u>Ratio (%)</u>	<u>Amount (\$)</u>	<u>Ratio (%)</u>	<u>Capital Requirement</u>	
	<u>Amount (\$)</u>	<u>Ratio (%)</u>	<u>Amount (\$)</u>	<u>Ratio (%)</u>	<u>Amount (\$)</u>	<u>Ratio (%)</u>
<u>As of December 31, 2004</u>						
Total capital ratio (1)	\$ 48,270	21.5%	\$ 17,937	8.0%	\$ 30,333	13.5%
Tier 1 capital ratio (2)	47,528	21.2	8,969	4.0	38,559	17.2
Tier 1 leverage ratio (3)	47,528	8.5	22,501	4.0	25,027	4.5
<u>As of September 30, 2004</u>						
Total capital ratio	48,067	22.9	16,785	8.0	31,282	14.9
Tier 1 capital ratio	47,446	22.6	8,393	4.0	39,053	18.6
Tier 1 leverage ratio	47,446	8.9	21,441	4.0	26,005	4.9
<u>As of June 30, 2004</u>						
Total capital ratio	47,599	23.4	16,273	8.0	31,326	15.4
Tier 1 capital ratio	47,113	23.2	8,137	4.0	38,976	19.2
Tier 1 leverage ratio	47,113	9.0	21,019	4.0	26,094	5.0
<u>As of March 31, 2004</u>						
Total capital ratio	46,886	19.8	18,904	8.0	27,982	11.8
Tier 1 capital ratio	46,396	19.6	9,452	4.0	36,944	15.6
Tier 1 leverage ratio	46,396	9.2	20,227	4.0	26,169	5.2

Capital Reconciliation:

	<u>Dec-04</u>	<u>Sep-04</u>	<u>Jun-04</u>	<u>Mar-04</u>
Total stockholders' equity as per books	\$ 47,428	\$ 47,528	\$ 45,532	\$ 46,929
Add: Unrealized loss (gain) on AFS securities	888	400	1,951	198
Less: Disallowed deferred tax assets	(678)	(363)	(248)	(599)
Other intangible assets	(110)	(119)	(122)	(132)
Tier 1 capital	<u>\$ 47,528</u>	<u>\$ 47,446</u>	<u>\$ 47,113</u>	<u>\$ 46,396</u>
<u>Tier 2 capital:</u>				
Allowance for loan losses	742	621	486	490
Total capital	<u>\$ 48,270</u>	<u>\$ 48,067</u>	<u>\$ 47,599</u>	<u>\$ 46,886</u>
Adjusted total assets	<u>\$ 562,515</u>	<u>\$ 536,022</u>	<u>\$ 525,474</u>	<u>\$ 505,680</u>
Total risk-weighted assets	<u>\$ 224,210</u>	<u>\$ 209,811</u>	<u>\$ 203,415</u>	<u>\$ 236,300</u>

- (1) Total capital to risk-weighted assets
(2) Tier 1 capital to risk-weighted assets
(3) Tier 1 capital to adjusted total assets

DORAL FINANCIAL CORPORATION
COMMITMENTS TO SELL LOANS
AS OF DECEMBER 31, 2004
(DOLLARS IN THOUSANDS)

	GNMA	FNMA	FHLMC	FIRST BANK	WESTERN BANK	BPPR	BSPR	R & G	TOTAL
Beginning of Year Balance	\$ 19,872	\$ 92,257	\$ 48,828	\$ 499,393	\$ 249,873	\$ 274,853	\$ -	\$ -	\$ 1,185,076
First Quarter:									
Net Increases (1)	300,000	-	-	600,000	-	-	200,000	-	1,100,000
Pools Sold	(96,198)	(276,000)	(29,831)	(385,033)	(75,048)	(50,007)	(50,004)	-	(962,121)
Balance at March 31, 2004	\$ 223,674	\$ (183,743)	\$ 18,997	\$ 714,360	\$ 174,825	\$ 224,846	\$ 149,996	\$ -	\$ 1,322,955
Second Quarter:									
Net Increases (1)	-	50,000	50,000	200,000	-	-	300,000	-	600,000
Pools Sold	(103,030)	(160,980)	(27,936)	(299,738)	(74,912)	(50,078)	(150,070)	-	(866,744)
Balance at June 30, 2004	\$ 120,644	\$ (294,723)	\$ 41,061	\$ 614,622	\$ 99,913	\$ 174,768	\$ 299,926	\$ -	\$ 1,056,211
Third Quarter:									
Net Increases (1)	300,000	400,000	105,000	2,400,000	-	-	-	-	3,205,000
Pools Sold	(105,303)	(99,525)	(10,992)	(415,089)	(75,009)	(75,031)	(300,074)	-	(1,081,023)
Balance at September 30, 2004	\$ 315,341	\$ 300,475	\$ 94,068	\$ 2,599,533	\$ 24,904	\$ 99,737	\$ (148)	\$ -	\$ 3,433,850
Four Quarter:									
Net Increases (1)	-	-	-	250,000	-	-	100,288	1,100,000	1,450,288
Pools Sold	(106,422)	(124,296)	(30,465)	(650,035)	(25,004)	(50,031)	(100,028)	(200,004)	(1,286,285)
	\$ 208,919	\$ 176,179	\$ 63,543	\$ 2,199,498	\$ (100)	\$ 49,706	\$ 112	\$ 899,996	\$ 3,597,853
5% Margin Write-off	-	-	-	502	100	209	(112)	4	703
Balance at December 31, 2004	\$ 208,919	\$ 176,179	\$ 63,543	\$ 2,200,000	\$ -	\$ 49,915	\$ -	\$ 900,000	\$ 3,598,556

(1) New commitments and / or increases. Commitments may or may not maintain running balance between amendments.

Notes:

(A) Delivery of the mortgages are due (on or before) as follows:

- GNMA - September 30, 2005
- FNMA - March 31, 2005
- FHLMC - August 31, 2005
- First Bank - \$1.0 billion in December 31, 2005 and \$1.2 billion in December 31, 2006
- BPPR - June 30, 2005
- R & G - \$100.0 million in January 31, 2005 and \$800.0 million in December 31, 2005

(B) For the first two months of the third quarter Doral sold \$15.6 million, approximately, in pools to FHLMC. On September the Company entered into a new agreement with FHLMC disregarding, for running balance purposes, the \$15.6 million sold during the months of July and August and the remainder of the commitment \$25.4 million, approximately.

DORAL FINANCIAL CORPORATION
HEADCOUNT INFORMATION
AS OF DECEMBER 31, 2004

	<u>DFC</u>	<u>HF</u>	<u>DMC</u>	<u>SANA</u>	<u>CH</u>	<u>DB</u>	<u>NY</u>	<u>DI</u>	<u>DS</u>	<u>DA</u>	<u>TOTAL</u>
Loan production / sales:											
Administrative:											
Construction and residential mortgage	12	-	-	-	-	14	3	-	-	-	29
Commercial and consumer loans	-	-	-	-	-	35	2	-	-	-	37
Marketing	-	127	299	69	12	19	-	-	-	-	526
Processing	-	69	99	12	7	-	2	-	-	-	189
Closing	-	37	34	4	6	-	-	-	-	-	81
Underwriting	-	8	7	2	2	8	-	-	-	-	27
Guarantee	7	-	1	-	-	-	-	-	-	-	8
Loan sales - secondary market	49	-	-	-	-	7	-	-	-	-	56
Subtotal	68	241	440	87	27	83	7	-	-	-	953
Loan servicing:											
REO, foreclosure and claims	43	-	-	-	-	-	-	-	-	-	43
Investor accounting	24	-	-	-	-	-	-	-	-	-	24
Servicing - other	152	-	-	-	-	7	3	-	-	-	162
Subtotal	219	-	-	-	-	7	3	-	-	-	229
Bank branches (1):											
Managers	-	-	-	-	-	29	6	-	-	-	35
Assistant managers	-	-	-	-	-	130	7	-	-	-	137
Tellers	-	-	-	-	-	221	21	-	-	-	242
Customer services	-	-	-	-	-	224	17	-	-	-	241
Administrative	-	-	-	-	-	160	8	-	-	-	168
Subtotal	-	-	-	-	-	764	59	-	-	-	823
Administrative support:											
Mail and file room service	20	-	-	-	-	-	-	-	-	-	20
Public relations and marketing	7	2	1	-	-	-	-	-	-	-	10
Quality services	-	1	5	-	-	-	-	-	-	-	6
Messengers and parking attendants	7	10	16	1	2	33	-	-	-	-	69
Receptionists	8	6	15	7	1	6	-	-	1	-	44
CEO and president's office	13	8	10	8	5	7	7	-	2	-	60
Legal and compliance	23	-	-	-	-	-	2	-	-	-	25
Community reinvestment act	-	-	-	-	-	3	-	-	-	-	3
Internal audit	21	-	-	-	-	-	-	-	-	-	21
Human resources	18	-	-	-	-	-	3	-	-	-	21
Accounting	36	-	-	5	-	14	4	-	2	-	61
Information technology	56	-	-	-	-	-	2	-	-	-	58
Operations	18	-	-	-	-	101	9	-	-	-	128
Property management	9	-	-	-	-	-	1	-	-	-	10
Purchasing	10	-	-	-	-	-	-	-	-	-	10
Corporate security	6	-	-	-	-	-	-	-	-	-	6
Subtotal	252	27	47	21	8	164	28	-	5	-	552
Treasury	8	-	-	-	-	-	-	-	1	-	9
Leasing	-	-	-	-	-	12	-	-	-	-	12
Trust and custody	-	-	-	-	-	5	-	-	-	-	5
International banking operation	-	-	-	-	-	-	-	4	-	-	4
Insurance agency	-	-	-	-	-	-	-	-	-	11	11
Total	547	268	487	108	35	1,035	97	4	6	11	2,598

DORAL FINANCIAL CORPORATION
LIST OF RETAIL OFFICES BY COMPANY
AS OF DECEMBER 31, 2004

MORTGAGE RETAIL OFFICES**HF Mortgage Bankers**

- 1 Main Offices: San Juan - Ave. F.D. Roosevelt # 1159 - President: David R. Levis, Phone: 749-7000
- 2 Bayamón - Centro Comercial Plaza del Parque Carr. 167, Río Hondo - Manager: Sonimar Lozada, Phone: 269-1300
- 3 Caguas - Las Catalinas Mall Doral Financial Center - Manager: Sharymar Aponte, Phone: 745-4041
- 4 Carolina - Urb. Atlantic View # 75, Ave. Isla Verde - Manager: Jean Carlos Juarbe, Phone: 999-8800
- 5 Cataño - Ave. Barbosa # 163 - Manager: Sonimar Lozada, Phone: 788-2626
- 6 Guaynabo - Calle Margarita A-1, Camino Alejandrino - Manager: Francisco Colón, Phone: 272-1333
- 7 Guaynabo II - Galería Suchville, Carr. # 2 Km 7.2 - Manager: Héctor Soto, Phone: 277-1198
- 8 Hato Rey - Ponce De León Ave. # 279 - Manager: Leslie Cardenales, Phone: 771-5333
- 9 Hato Rey II - Tnte. César González Street # 576, Urb. Baldrich - Manager: Alba Cruz, Phone: 281-2929
- 10 Mayagüez - Ave. Méndez Vigo # 101 - Manager: Aida V. Pinzón, Phone: 833-3070
- 11 Ponce - Plaza Las Delicias, Esq. Villa - Manager: Marcos Ramos, Phone: 842-7661
- 12 Río Piedras - Galería Los Pasos, Cupey - Manager: Mariclen García, Phone: 292-0190
- 13 San Juan - Ave. F.D. Roosevelt # 1451 - New Project DFC Plaza - Manager: Blanquita Rivera, Phone: 474-7860
- 14 San Juan II - Calle Adams #1647, Summit Hills - Manager: Carlos Santiago, Phone: 474-6181
- 15 Vega Alta - Centro Gran Caribe Sur Local 21 Int Carr. 676 - Manager: Miguel A. Falcón, Phone: 270-1700

Doral Mortgage Corporation

- 1 Main Offices: San Juan - Ave. F.D. Roosevelt # 1451 - President: Raúl Menéndez, Phone: 751-2266
- 2 Arecibo - Carr. # 2 Km. 80.6 Barrio Hato Abajo, San Daniel - Manager: Ramón Marrero, Phone: 878-1421
- 3 Arecibo II - Ave. Lorenz Torres # 219 - Manager: Ramón Marrero, Phone: 878-8810
- 4 Bayamón - Ave. Betances # 14, Hnas. Dávila - Manager: Carmen Torres, Phone: 798-8787
- 5 Bayamón II - Carr. 167, Marginal B-13, Flamingo Terrace - Manager: Jock Gatti, Phone: 730-7777
- 6 Bayamón III - Ave. Comerio, Esq. Río Bayamón - Manager: Víctor Domínguez, Phone: 269-1919
- 7 Caguas - Calle Degetau F-2, Bonneville Terrace - Manager: Migdalia S. Soto, Phone: 746-9696
- 8 Caguas II - Carr. # 1 Plaza Bairoa, Bairoa Industrial Store # 8 - Manager: Rosalina Flores, Phone: 745-2021
- 9 Carolina - Ave. Campo Rico # 791, Country Club - Manager: Luis Ríos, Phone: 762-1422
- 10 Carolina II - Km. 6.9 Bo. San Antón - Manager: Luis Zambrana, Phone: 701-2165
- 11 Carolina - Isla Verde Ave. Los Gobernadores 150 Airport Plaza Shopping Center - Manager: Maribelín Gutiérrez, Phone: 791-4071
- 12 Caycey - Doral Bank Plaza, Ave. Jesus T. Piñero 3200 Suite # 2, Bo. Montellano - Manager: Lillian Rolón, Phone: 738-4435
- 13 Fajardo - Calle General Valero # 251 - Manager: Daniel Agosto, Phone: 863-5111
- 14 Fajardo II - Bo. Quebrada Carr. # 3 Km 44.9 - Manager: Daniel Agosto, Phone: 801-5252
- 15 Guayama - Calle Gibraltar # 1 - Manager: Nelson Viera, Phone: 864-5600
- 16 Guaynabo - Plaza Guaynabo Mall Exp. Martínez Nadal - Manager: Catalina Contreras, Phone: 708-1220
- 17 Hato Rey - Ave. F.D. Roosevelt # 145 - Manager: Maribelín Gutiérrez, Phone: 756-6800
- 18 Hato Rey II - Ave. Muñoz Rivera # 650 - Manager: Waldemar Rivera, Phone: 756-1500
- 19 Hato Rey III - Ave. Jesus T. Piñero # 268 - Manager: Larry Rodríguez, Phone: 771-7000
- 20 Humacao - Calle Font Martello # 17 - Contact: Carlos Aponte, Phone: 850-6060
- 21 Humacao II - Carr. Estatal Número 3 Km. 83.6, Barrio Abajo - Manager: Melba Beltrán, Phone: 656-3155
- 22 Mayagüez - Calle McKinley # 12 Oeste - Supervisor: Cammen Valentin, Phone: 834-8888
- 23 Mayagüez II - Western Plaza 2 Carr. # 2 Km. 179.5 - Manager: Iris Martínez, Phone: 833-8888
- 24 Ponce - Santa María Shopping Center # 153 - Manager: Natalie Barnacett, Phone: 843-3113
- 25 Ponce Fagot - Ave. Las Américas, Esq. Boulevard Miguel Pou - Manager: Natalie Barnacett, Phone: 651-2626
- 26 Río Grande - Carr. # 3 Km. 22.4 Bo. Ciénaga Baja - Manager: Armando López, Phone: 809-6012
- 27 Río Piedras - Ave. 65 de Infantería # 354 - Manager: José Vázquez, Phone: 754-9600
- 28 San Juan - Ave. Ashford 1476, Esq. Ave. de Diego, Condado - Manager: Agnes Meléndez, Phone: 268-1661
- 29 Toa Baja - Carr. #2 Km 18.6 Barrio Candelaria - Manager: Sory Adrovet, Phone: 625-4646
- 30 Trujillo Alto - Plaza San Miguel - Manager: Nayade Pereiro, Phone: 293-1285
- 31 Vega Baja - Urb. Brasilia # 3819, Marginal PR2 Km. 38.0 - Manager: Janette Roura, Phone: 858-3695

SANA Mortgage Corporation

- 1 Main Offices: Río Piedras - Urb. Caribe #1569 - President: Angel Vázquez, Phone: 281-2600
- 2 Bayamón I - Carr. # 2 # 1720 - Manager: Jorge Schmidt, Phone: 785-1100
- 3 Bayamón II - Ave. Lomas Verdes # 1C-18 - Manager: Ana Martínez, Phone: 778-1100
- 4 Caguas - Ave. Pino 2D 33 - Manager: Lymarie Torres, Phone: 745-4888
- 5 Carolina - Ave. Roberto Clemente # C-2 - Manager: Melvin Mulero, Phone: 769-0460
- 6 Las Piedras - Plaza Las Piedras Carr. #183 - Manager: Keyla Feliciano, Phone: 733-0195
- 7 Mayagüez - Carr. # 2 Centro Novios Plaza - Manager: Mark Arocho, Phone: 833-0325
- 8 Ponce - Ave. Fagot # A-11 - Interim Manager: Mark Arocho, Phone: 842-2500
- 9 Río Piedras II - Rpto. Metropolitano, Ave. Américo Miranda # 1101 - Manager: Marisela Pérez, Phone: 763-5444

Centro Hipotecario de Puerto Rico, Inc.

- 1 Main Offices: Hato Rey - Ave. F.D. Roosevelt # 305 - President: Aidiliza Levis, Phone: 274-6262
- 2 Hato Rey II - 268 Ave. Ponce De León, Edif. Home Mortgage Plaza - Manager: Sharon Acosta, Phone: 764-5020
- 3 Manatí - Carr. # 2 Km. 50.0, Plaza Atenas - Manager: Zulma Flores, Phone: 884-3232

Doral Money, Inc. (US)

- 1 Main Offices: New York City - 387 Park Avenue South - Phone: 212-329-3729

TOTAL MORTGAGE RETAIL OFFICES

Puerto Rico **58**
 U.S. Mainland **1**

DORAL FINANCIAL CORPORATION
LIST OF RETAIL OFFICES BY COMPANY (CONT.) & DEPOSITS BY BRANCH
AS OF DECEMBER 31, 2004

BANK RETAIL OFFICES**Doral Bank-PR**

DEPOSITS
(DOLLARS IN THOUSANDS)

	Dec-04	Nov-04	% Change
1 Main Offices: Hato Rey - Ave. Ponce de León # 279 - President: José Vigoreaux, Phone: 474-0131	\$ 665,756	\$ 663,290	0.37%
2 Arecibo - Carr. # 2 Km. 80.6 Barrio Hato Abajo, San Daniel - Manager: Selma González, Phone: 816-5220	46,219	42,863	7.83%
3 Bayamón - Bayamón Medical Plaza - Manager: Luisa Guerrero, Phone: 778-1400	34,581	32,454	6.55%
4 Bayamón - Centro Comercial Plaza del Parque, Carr. 167, Río Hondo - Manager: Luz M. Sierra, Phone: 269-8888	90,830	88,731	2.37%
5 Bayamón - Santa Rosa Shopping Center - Manager: Luisa Guerrero, Phone: 778-3000	27,263	26,200	4.06%
6 Bayamón - Rexville Shopping Center, Carr. 167 - Manager: Wanda Beltrán, Phone: 641-7607	383	-	New
7 Caguas - Centro Comercial Villa Blanca - Manager: Herbert Rodríguez, Phone: 745-6333	35,677	35,046	1.80%
8 Caguas - Las Catalinas - Manager: Amneris Curcio, Phone: 704-0504	35,924	35,130	2.26%
9 Caguas - Carr. #1, Plaza Bairoa - Manager: José Agosto, Phone: 286-0015	131,455	131,650	-0.15%
10 Carolina - Ave. 65 de Infantería Km. 6.9 Núm. 6020, Barrio San Antón - Manager: Víctor E. Rivera, Phone: 701-1925	32,782	31,250	4.90%
11 Carolina - Urb. Atlantic View #75, Ave. Isla Verde - Manager: Liz A. Ortiz, Phone: 999-8810	29,626	28,595	3.61%
12 Carolina - Isla Verde Ave. Los Gobernadores 150 Airport Plaza Shopping Center- Manager: Ivette Barahona, Phone: 791-0240	5,377	5,023	7.05%
13 Cataño - Ave. Barbosa # 163 - Manager: Sara Rodríguez, Phone: 788-2626	56,738	55,634	1.98%
14 Cataño - Edificio Alcaldía Municipal - Manager: Sara Rodríguez, Phone: 788-1077	11,306	14,759	-23.40%
15 Cayey - Doral Bank Plaza, Ave. Jesus T. Piñero 3200, Bo. Montellano - Manager: Miriam Santiago, Phone: 263-4011	35,359	35,510	-0.43%
16 Fajardo - Bo. Quebrada Carr. # 3 Km. 44.9 - Manager: Orlando Márter, Phone: 801-5200	9,368	9,113	2.80%
17 Guaynabo - Galería Suchville, Carr. # 2 - Manager: Alfredo Llopart, Phone: 775-0303	48,200	47,012	3.85%
18 Guaynabo - Plaza Guaynabo Mall, Exp. Martínez Nadal - Manager: Ricardo Valero, Phone: 708-3535	40,020	37,869	5.68%
19 Hato Rey - Ave. Jesus T. Piñero # 268 - Manager: Wilfredo Robles, Phone: 763-1555	24,626	23,167	6.30%
20 Hato Rey - Ave. Ponce de León # 268, Edif. Home Mortgage Plaza - Manager: Rubén Rivera, Phone: 764-4646	1,199,694	1,196,154	0.30%
21 Hato Rey - Tnte. César González St. #576, Urb. Baldrich - Manager: Maricarmen Cruz, Phone: 773-0010	36,252	33,173	9.28%
22 Humacao - Ave. Boulevard del Río - Manager: Lizvette Rodríguez, Phone: 285-6200	44,445	46,346	-4.10%
23 Humacao II - Carr. Estatal Número 3 Km. 83.6, Barrio Abajo - Manager: Lizvette Rodríguez, Phone: 656-3150	8,077	6,935	16.47%
24 Las Piedras - Plaza Las Piedras, Carr. # 183 - Manager: Lizvette Rodríguez, Phone: 733-0085	14,763	13,947	5.85%
25 Manatí - Carr. #2 Km. 50.0, Plaza Atenas - Manager: Mayra Martínez, Phone: 621-3403	11,649	11,211	3.91%
26 Mayagüez - Ave. Méndez Vigo # 101 - Manager: Joan Pérez, Phone: 832-1080	35,825	31,697	13.02%
27 Mayagüez II - Western Plaza 2 Carr. # 2 Km 179.5 - Manager: Ramón Santiago, Phone: 806-0000	27,936	26,038	7.29%
28 Ponce - Plaza Las Delicias Esq. Villa - Manager: Marizel Marrero, Phone: 843-5333	33,289	32,463	2.54%
29 Ponce Fagot - Ave. Las Américas, Esquina Boulevard Miguel Pou - Manager: Nixida Bermúdez, Phone: 651-2626	25,045	22,976	9.01%
30 Río Grande - Carr. # 3, Km. 22.4, Bo. Ciénaga Baja - Manager: Myrna Pagán, Phone: 809-6000	23,922	22,356	7.00%
31 Río Piedras - Ave. 65 de Infantería # 354 - Manager: Néstor Pérez, Phone: 765-7001	35,254	33,711	4.58%
32 Río Piedras - Galería Los Paseos, Cupey - Manager: Nitza Franco, Phone: 292-3800	89,046	86,667	2.74%
33 Río Piedras - Urb. Caribe # 1569 - Manager: Gerardo Martínez, Phone: 753-3636	104,651	103,277	1.33%
34 San Juan - Ave. Ashford 1476, Esq. Ave. De Diego, Condado - Manager: Antonio Garcia, Phone: 268-1661	70,959	69,192	2.55%
35 San Juan - Ave. F.D. Roosevelt # 1451 Puerto Nuevo - Manager: Denise Marrero, Phone: 474-6200	85,963	85,606	0.42%
36 San Juan - Ave. F.D. Roosevelt # 1166, Puerto Nuevo - Manager: Ricardo Gil, Phone: 774-8250	64,368	61,826	4.11%
37 Toa Baja - Carr. #2, Km 18.6 Barrio Candelaria - Manager: Lucía Hernández, Phone: 625-4636	8,502	7,829	8.60%
38 Trujillo Alto - Plaza San Miguel - Manager: Betsy Resto, Phone: 293-1111	40,922	38,299	6.85%
39 Vega Alta - Centro Gran Caribe Sur Local 21 Int. Carr. 676 - Manager: Rafael Marrero, Phone: 270-3500	26,480	23,079	14.74%
40 Vega Baja - Urb. Brasília #3819, Marginal PR2 Km. 38.0 - Manager: Morgan Toro, Phone: 807-7700	19,404	18,131	7.02%
Total Deposits of Doral Bank-PR	\$ 3,368,556	\$ 3,314,209	1.64%

Doral Bank-NY

1 Main Offices: 387 Park Avenue South, New York N.Y. - President: Paul Mak, Phone: 212-329-3700	\$ 207,138	\$ 200,408	3.36%
2 New York - 4246 Broadway, Washington Heights, New York City - Manager: Migdalia Vélez, Phone: 212-543-2866	33,684	31,869	5.70%
3 New York - 30-18 Steinway Street, Astoria - Manager: Dimitra Giannoulis, Phone: 718-932-4800	47,398	47,027	0.79%
4 New York - 97-77 Queens Blvd., Rego Park - Manager: Ligia Ramirez, Phone: 718-459-7200	53,691	40,619	32.18%
5 New York - 86-22 Bay Parkway, Bensonhurst, Brooklyn - Manager: Christine Delloso, Phone: 718-265-4000	29,814	25,991	14.71%
6 New York - 41-60 Main Street, Flushing - Manager: Ruby Chang, Phone: 718-886-8200	14,035	4,686	199.51%
Total Deposits of Doral Bank-NY	385,760	350,600	10.03%
Total Deposits of bank subsidiaries	3,754,316	3,664,809	2.44%
Intercompany Deposits	(111,236)	(221,043)	-49.68%
Total Consolidated Deposits	\$ 3,643,080	\$ 3,443,766	5.79%

TOTAL BANK RETAIL OFFICES**Puerto Rico****40****New York****6****Doral Securities, Inc.**

- 1 Main Office: San Juan - Ave. F.D. Roosevelt # 1451, 8th Floor - President: Julio Mícheo, Phone: 474-6300

Doral Insurance Agency, Inc.

- 1 Main Office: San Juan - Ave. F.D. Roosevelt # 1451, Mezzanine - President: Fernando Rivera-Murich, Phone: 474-6160

Doral International, Inc.

- 1 Main Office: San Juan - Ave. F.D. Roosevelt # 1451, Mezzanine - Manager: José Valentín, Phone: 474-6255

TOTAL OFFICES**108**

DORAL FINANCIAL CORPORATION
THE SARBANES-OXLEY ACT OF 2002
CERTIFICATION FORMS STATUS AND
DISCLOSURES CONTROL PROCEDURES

The Securities and Exchange Commission adopted rules under the Securities Exchange Act of 1934 and the Investment Company Act of 1940 that require an issuer's principal executive officer and principal financial officer to certify the contents of the issuer's quarterly and annual reports. The rules will implement Section 302 of the Sarbanes-Oxley Act of 2002, which was enacted into law on July 30, 2002.

In summary, Section 302 of the Sarbanes-Oxley Act indicates that the CEO and CFO of each issuer shall prepare a statement to accompany the audit report to certify the "appropriateness of the financial statements and disclosures contained in the periodic report, and that those financial statements and disclosures fairly present, in all material respects, the operations and financial condition of the issuer." A violation of this section must be knowing and intentional to give rise to liability.

Doral Financial Corporation maintains formal disclosure controls and financial reporting procedures in which each subsidiary and key business reporting division are responsible to provide, in a timely basis, all financial information needed to complete all Company's regulatory reports. Standard Reporting Packages have been used as reporting tools to provide critical information to Corporate Accounting.

As of the date of delivery of this Monthly Board of Directors Report all Certification Forms has been received by Corporate Accounting without exceptions.